ITC Limited

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Read full terms of disclosure

.

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ INR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

ITC is one of India's foremost private sector companies with a diversified presence in FMCG, Paperboards and Packaging and Agri-Businesses with revenues of ₹ 734.65 billion. With over 25 mother brands, ITC's FMCG businesses are present in Branded Packaged Foods, Education and Stationery, Personal Care, Cigarettes and Incense Sticks (Agarbattis) & Safety Matches. ITC's Paperboards and packaging business is also a leader in the Value-Added Paperboards (VAP) segment, eco-labelled products segment and premium recycled paperboards. ITC is one of India's largest exporters of agri commodities, globally acknowledged pioneer in farmer empowerment through its wide-reaching Agri Business. ITC has been included in the Dow Jones Sustainability Emerging Markets Index for the fifth year in a row and have retained 'AA' rating by MSCI-ESG for 7 years now. The Company also features in the 'Leadership' level in the CDP Climate and CDP Water ratings (A List). Over the last few years, ITC has been progressing towards realising its ambitious Sustainability 2.0 agenda to strengthen and scale up its large gamut of interventions to enable the transition to a net zero economy, work towards ensuring water security for all, restore biodiversity, among others. Climate Resilience: ITC is pursuing a multi-pronged climate strategy that addresses transition risks through extensive decarbonisation across the value chain including commitment to achieve 'Net Zero Operations' by 2050,and physical risks through identifying vulnerable sites across the value chain and implementation of locally contextual adaptation plans for these sites. Currently, 52% of ITC's total energy requirements were met from renewable sources, seven years ahead of target. Water Security: ITC's Sustainability 2.0 approach centres on enabling water security for all stakeholders in its catchments. ITC actively works with farmers, a crucial part of its supply chain, in conserving and replenishing water by promoting water-efficient agronomic practices like micro-irrigation techniques and working with them for creating infrastructure for rainwater

harvesting. Additionally, ITC has redesigned its strategy to accelerate the achievement of scale and impact by working at the river basin level as river basins are independent hydrological units, and work done at the basin level is designed to be sustainable over a longer period. ITC units focus on improving water use efficiency by using water-efficient technologies and focusing on recycling/reusing of treated effluents. ITC's water stewardship interventions has covered over 1.81 million acres of land creating a total rainwater harvesting potential (RWH) of nearly 60 million kl (till 31st March 25) – 5X net water consumed by ITC's operations in FY 2024-25. Forests: ITC recognises that the preservation and nurturing of biodiversity is crucial for long-term sustainability of its business, and is committed to conducting its operations in a manner that protects, conserves and enriches biodiversity in line with the Board-approved policies on Biodiversity Conservation and Deforestation. As part of ITC's Sustainability 2.0 Vision, ITC also recognises the potential of nature-based solutions for carbon sequestration and building climate resilience, and prioritises actions to minimise impacts across realms of land, freshwater, oceans and atmosphere, and manage dependencies in a sustainable manner. ITC's approach is also in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) including L.E.A.P. (Locate, Evaluate, Assess and Prepare) approach which entails identification and management of material nature-related Dependencies, Impacts, Risks and Opportunities (DIRO). ITC's Targets – Net Zero Operations by 2050, Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. – Meeting 100% of purchased grid electricity requirements from renewable sources by 2030. – Reduction in specific energy consumption, specific water consumption and specific GHG emissions by 30%, 40% and 50% respectively by 2030 as compared to a FY 2018-19 baseline. – Sustain and enhance carbon sequestration by expanding forestry projects on wastelands thro ugh ITC's Social and Farm Forestry programme and other such initiatives over 1.5 million acres by 2030. – Creation of rainwater harvesting potential equivalent to over 5 times the net water consumption by 2030. – Certification of all sites in high water stressed areas as per the international water stewardship standard by Alliance for Water Stewardship (AWS) by 2035. -Revive and sustain Ecosystem Services provided by Nature and provisioning of products through adoption of Nature-based Solutions and Biodiversity Conservation over 1 million acres. - Promote Climate Smart Agricultural practices across 4 million acres. [Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	03/30/2025	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

734645500000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

INE154A01025

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

335800WLOU3OFWFTMP43

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

862167769

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ India

☑ Nepal

(1.8) Are you able to provide geolocation data for your facilities?

(1.8.1) Are you able to provide geolocation data for your facilities?

Select from:

☑ Yes, for all facilities

(1.8.2) Comment

Similar to previous years, we have provided geolocation data for all facilities located in water stressed areas. These represent 40-50% of company-wide facilities.
[Fixed row]

(1.8.1) Please provide all available geolocation data for your facilities.

Row 1

(1.8.1.1) Identifier

Facility 1

(1.8.1.2) Latitude

17.6947

(1.8.1.3) Longitude

80.8628

(1.8.1.4) Comment

NA

Row 2

(1.8.1.1) Identifier

Facility 2

(1.8.1.2) Latitude

13.1822

(1.8.1.3) Longitude

80.3058

(1.8.1.4) Comment

NA

Row 3

(1.8.1.1) Identifier

Facility 3

(1.8.1.2) Latitude

11.2464

(1.8.1.3) Longitude

76.8747

(1.8.1.4) Comment

NA

Row 4

(1.8.1.1) Identifier

Facility 4

(1.8.1.2) Latitude

18.9981

(1.8.1.3) Longitude

72.8386

(1.8.1.4) Comment

NA

Row 5

(1.8.1.1) Identifier

Facility 5

(1.8.1.2) Latitude

18.7781

(1.8.1.3) Longitude

74.2611

(1.8.1.4) Comment

NA

Row 6

(1.8.1.1) Identifier

Facility 6

(1.8.1.2) Latitude

29.9539

(1.8.1.3) Longitude

78.0789

(1.8.1.4) Comment

NA

Row 7

(1.8.1.1) Identifier

Facility 7

(1.8.1.2) Latitude

29.9567

(1.8.1.3) Longitude

77.5333

(1.8.1.4) Comment

NA

Row 8

(1.8.1.1) Identifier

Facility 8

(1.8.1.2) Latitude

22.5475

(1.8.1.3) Longitude

88.1511

(1.8.1.4) Comment

NA

Row 9

(1.8.1.1) Identifier

Facility 9

(1.8.1.2) Latitude

22.4811

(1.8.1.3) Longitude

88.0411

(1.8.1.4) Comment

NA

Row 10

(1.8.1.1) Identifier

Facility 10

(1.8.1.2) Latitude

23.0072

(1.8.1.3) Longitude

88.4086

(1.8.1.4) Comment

NA

Row 11

(1.8.1.1) Identifier

Facility 11

(1.8.1.2) Latitude

31.4356

(1.8.1.3) Longitude

75.3528

(1.8.1.4) Comment

NA

Row 12

(1.8.1.1) Identifier

Facility 12

(1.8.1.2) Latitude

13.1867

(1.8.1.3) Longitude

77.6389

(1.8.1.4) Comment

NA

Row 13

(1.8.1.1) Identifier

Facility 13

(1.8.1.2) Latitude

13.0339

(1.8.1.3) Longitude

77.8978

(1.8.1.4) Comment

NA

Row 14

(1.8.1.1) Identifier

Facility 14

(1.8.1.2) Latitude

12.16

(1.8.1.3) Longitude

76.8308

(1.8.1.4) Comment

NA

Row 15

(1.8.1.1) Identifier

Facility 15

(1.8.1.2) Latitude

30.9933

(1.8.1.3) Longitude

77.7594

(1.8.1.4) Comment

NA
[Add row]

(1.11) Are greenhouse gas emissions and/or water-related impacts from the production, processing/manufacturing, distribution activities or the consumption of your products relevant to your current CDP disclosure?

Production

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Value chain (excluding own land)

(1.11.2) Primary reason emissions and/or water-related impacts from this activity are not relevant

Select from:

☑ Do not own/manage land

(1.11.3) Explain why emissions and/or water-related impacts from this activity are not relevant

ITC does not own/manage land and does not engage in contract farming. All commodities are purchased.

Processing/ Manufacturing

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Direct operations

Distribution

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Direct operations

Consumption

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ No

(1.11.2) Primary reason emissions and/or water-related impacts from this activity are not relevant

Select from:
☑ Judged to be unimportant or not relevant

(1.11.3) Explain why emissions and/or water-related impacts from this activity are not relevant

Use-phase related emissions for the products that ITC manufactures are not material.

[Fixed row]

(1.22) Provide details on the commodities that you produce and/or source.

Timber products

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Processing

☑ Manufacturing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ Yes, we are providing the total volume

(1.22.5) Total commodity volume (metric tons)

2401846

(1.22.8) Did you convert the total commodity volume from another unit to metric tons?

Select from:

☑ No

(1.22.11) Form of commodity

Select all that apply

☑ Pulp
☑ Softwood logs
☑ Wood-based bioenergy

(1.22.12) % of procurement spend

Select from:
☑ 11-20%

(1.22.13) % of revenue dependent on commodity

Select from:
☑ 11-20%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:
☑ Yes, disclosing

(1.22.15) Is this commodity considered significant to your business in terms of revenue?

Select from:
☑ Yes

(1.22.19) Please explain

Timber is a key commodity for ITC. The sourcing of timber and wood volumes for ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) is carefully managed to ensure sustainability and compliance with legal and environmental standards. During the reporting period, the curing wood utilised in the tobacco sourced by ITC's Agri business (Leaf Tobacco SBU) was around 260,093 metric tonnes (2024-25), originating locally from India. The timber supply is secured through a combination of energy plantations grown on tobacco farmers' own farmlands, plantations cultivated on fellow farmers' lands, and fuelwood vendors who procure wood from plantation owners. This diversified approach ensures that sourcing is from renewable and sustainably managed plantations only, thereby avoiding pressure on natural forests. ITC's Paperboard and Specialty Papers Division sourced approximately 1,916,453 metric tonnes (2024-25) of pulpwood, primarily from farmers across Telangana, Andhra Pradesh, Karnataka, Odisha, and Chhattisgarh, States in India as well as from Forest Development Corporations in Telangana and Andhra Pradesh. ITC also imported 225,300 tonnes of pulp (2024-25). Overall, ITC sourced 2,401,846 MT of timber volumes in the reporting year, covering pulpwood and curing wood sourced locally, and imported pulp. Other agri-commodities which constitute less than 1% of overall procurement spent have not been considered in the CDP response.

[Fixed row]

(1.23) Which of the following agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue?

Cotton

(1.23.1) Produced and/or sourced

Select from:
☑ No

Dairy & egg products

(1.23.1) Produced and/or sourced

Select from:
☑ No

Fish and seafood from aquaculture

(1.23.1) Produced and/or sourced

Select from:
☑ No

Fruit

(1.23.1) Produced and/or sourced

Select from:
☑ No

Maize/corn

(1.23.1) Produced and/or sourced

Select from:

☑ No

Nuts

(1.23.1) Produced and/or sourced

Select from:

☑ No

Other grain (e.g., barley, oats)

(1.23.1) Produced and/or sourced

Select from:

☑ No

Other oilseeds (e.g. rapeseed oil)

(1.23.1) Produced and/or sourced

Select from:

☑ No

Poultry & hog

(1.23.1) Produced and/or sourced

Select from:

☑ No

Rice

(1.23.1) Produced and/or sourced

Select from:

☑ No

Sugar

(1.23.1) Produced and/or sourced

Select from:

☑ No

Tea

(1.23.1) Produced and/or sourced

Select from:

☑ No

Tobacco

(1.23.1) Produced and/or sourced

Select from:

☑ Sourced

(1.23.2) % of revenue dependent on this agricultural commodity

Select from:

☑ 41-50%

(1.23.3) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ Yes

(1.23.4) Please explain

Percentage revenue contribution from tobacco is calculated as the share of revenue from FMCG Cigarette and Agri Business (for Unmanufactured Tobacco) Businesses to the total revenues from the sale of products and services for ITC. Leaf Tobacco is a key raw material for FMCG - Cigarettes and Agri Business (Leaf/unmanufactured Tobacco) segments of ITC's business.

Vegetable

(1.23.1) Produced and/or sourced

Select from:

☑ No

Wheat

(1.23.1) Produced and/or sourced

Select from:

☑ Sourced

(1.23.2) % of revenue dependent on this agricultural commodity

Select from:

☑ 31-40%

(1.23.3) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ Yes

(1.23.4) Please explain

Percentage revenue contribution from Wheat is calculated as the share of revenues from Branded Packaged Foods and Agri Businesses to the total revenues from the sale of products and services for ITC. Wheat is amongst the major raw materials consumed by ITC's Foods Business for branded packaged food products like Aashirvaad Atta (Wheat Flour) and Wheat flour for products such as Biscuits, Noodles etc.

Other commodity

(1.23.1) Produced and/or sourced

Select from:

☑ No

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 3 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 4+ suppliers

(1.24.6) Smallholder inclusion in mapping

Select from:

☑ Smallholders relevant and included

(1.24.7) Description of mapping process and coverage

Wheat, pulpwood and leaf tobacco constitute the major agri-commodities sourced by ITC. For all three commodities, ITC has mapped its value chain including farms, sourcing locations, suppliers' and aggregators' locations, data on sustainable farming practices. In ITC's pulpwood value chain, the pulpwood supply right from agroforestry farmers to authorised aggregators / suppliers who harvest, billet, debark and transporters of transport pulpwood to the mill; is mapped. The Tier-1 primarily consists of agroforestry farmers, as well as, authorised aggregators and forest development corporation plantations. The growers who supply to aggregators and suppliers comprise the Tier-2 of pulpwood value-chain and the growers contributing to imported pulp comprise Tier-3. In ITC's tobacco value-chain, tobacco farmers use wood from the energy plantations grown on their own fields. And some tobacco farmers purchase wood from the energy plantations grown on fellow farmer fields. These farmers comprise tier-2 or tier-3 of the tobacco value-chains. These plantations are promoted by ITC to ensure long term wood sustainability. In addition, there are tobacco farmers who purchase wood from vendors to meet the fuelwood requirement for curing of tobacco. The curing wood procured from vendors has traceability till the region of sourcing as well. ITC's Paper Business Due Diligence System covers identification and tracking systems for farmers. It also verifies legality of land owned by the plantation growers. ITC is committed to Forest Stewardship Council® (FSC®) principles. Entire pulpwood procured by Papers business of ITC is from FSC® certified (either COC, FM, Controlled wood, or mix). ITC has also implemented a robust system to track the origin of timber volumes used in tobacco curing, ensuring compliance with sustainability standards and no deforestation. Simple Random Sampling method (at 95% confidence interval) is used to identify the farmers and establish their wood traceability. Documentations are obtained from these farmers on their wood source including own plantation, fellow farmers plantations and vendors. ITC is committed to collaborating with farmers to make them more sustainable and help build their adaptive capacity and resilience to emerging risks like climate change, water stress and other extreme weather events. ITC has successfully scaled up ITCMAARS – a crop-agnostic full stack AgriTech digital platform, together with a physical ecosystem, across ten states
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain
☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply
☑ Preparation for reuse
☑ Recycling
☑ Composting (industrial/home)
☑ Waste to Energy
[Fixed row]

(1.24.2) Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

Timber products

(1.24.2.1) Value chain mapped for this sourced commodity

Select from:
☑ Yes

(1.24.2.2) Highest supplier tier mapped for this sourced commodity

Select from:
☑ Tier 3 suppliers

(1.24.2.3) % of tier 1 suppliers mapped

Select from:
☑ 100%

(1.24.2.4) % of tier 2 suppliers mapped

Select from:

☑ 100%

(1.24.2.5) % of tier 3 suppliers mapped

Select from:

☑ 100%

(1.24.2.7) Highest supplier tier known but not mapped for this sourced commodity

Select from:

☑ All supplier tiers known have been mapped for this sourced commodity

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For the short-term, ITC's risk management processes consider a period between 0-2 years which requires all its businesses to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities. Additionally, ITC Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

9

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For the medium term, ITC's risk management processes consider a period extending up to periods beyond 3 years and less than 10 years i.e. 3-9 years. All ITC businesses are required to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities.

Long-term

(2.1.1) From (years)

10

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For the long-term, ITC's risk management processes consider a period beyond 10 years. This is in line with the long-term Sustainability Commitments/Goals formulated by ITC, and the long-term time frames horizons considered for climate/water/forest risk assessments i.e. 2040-2060 and 2060-2080 under different scenarios. All ITC businesses are required to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

☑ Tier 4+ suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term
☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply
☑ Site-specific
☑ Local
☑ Sub-national
☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management
☑ Enterprise Risk Management
☑ ISO 31000 Risk Management Standard
☑ Risk models

International methodologies and standards
☑ Environmental Impact Assessment
☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

Databases
☑ Nation-specific databases, tools, or standards
☑ Regional government databases

Other

☑ Desk-based research
☑ External consultants
☑ Materiality assessment
☑ Partner and stakeholder consultation/analysis
☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Cyclones, hurricanes, typhoons
☑ Drought
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Heat waves
☑ Heavy precipitation (rain, hail, snow/ice)

Chronic physical

☑ Heat stress
☑ Soil erosion
☑ Water stress
☑ Sea level rise
☑ Soil degradation
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Changing temperature (air, freshwater, marine water)
☑ Changing precipitation patterns and types (rain, hail, snow/ice)
☑ Change in land-use
☑ Changing wind patterns
☑ Temperature variability
☑ Water quality at a basin/catchment level
☑ Precipitation or hydrological variability

Policy

☑ Carbon pricing mechanisms
☑ Changes to international law and bilateral agreements
☑ Changes to national legislation

☑ Increased difficulty in obtaining operations permits

Market
☑ Availability and/or increased cost of certified sustainable material
☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior

Reputation
☑ Impact on human health
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology
☑ Dependency on water-intensive energy sources
☑ Data access/availability or monitoring systems
☑ Transition to lower emissions technology and products
☑ Transition to water intensive, low carbon energy sources
☑ Unsuccessful investment in new technologies

Liability
☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs
☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities
☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Methodology for climate risk: ITC follows a 3-step approach: a. Portfolio-level Assessment for Identifying Vulnerable Sites: Analysing future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought, and more across different climate change scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. Thresholds: For heat: Number of days in a year with WBGT > 35C: 65 days For floods / intense rain: Amount of rainfall (in mm) in 24 hours during a 100-year return period rain event: 385 b. Site-specific Climate Risk Assessments for Vulnerable Sites: → Detailed site-level and hazard specific studies are conducted along with climate experts. These studies include simulations to identify the sources of vulnerability at the site in different scenarios. → The influence of non-climatic / local factors are also considered. c. Locally Contextual Adaptation Plans for Vulnerable Sites. This includes: → Within the site: Physical adaptation measures (grey measures) such as hard engineering or nature-based solutions (green measures) or non-physical measures (soft measures) such as early warning systems, and extreme weather management practices. → In the local catchment: Engaging with local authorities and communities to build community-level resilience Around 140 sites assessed including value chain facilities. 100% of owned facilities assessed. For agri value chains, all three key agri value chains (100%) assessed: Wheat, leaf tobacco and pulpwood. Integration with ITC's Organization wide Risk Management Framework ITC's key businesses have adopted the ISO 31000 Risk Management Standard and, the Risk Management systems and processes prevalent in these Businesses have been independently assessed to be compliant. The Corporate Governance Policy approved by the Board, clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from strategic to the operational. The Risk Management Committee, constituted by the Board, monitors and reviews the strategic risk management plans including climate risk. The Corporate Risk Management Cell, through focused interactions with businesses, facilitates the identification and prioritization of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks. ITC conducts strategic planning exercise on an ongoing basis through the year which requires all its businesses to clearly identify their top risks (review takes place more frequently than quarterly) and set out a mitigation plan with agreed timelines and accountabilities. Businesses consider a combination of quantitative and qualitative aspects as part of their strategic planning exercise including sustainability aspects, regulatory environment, consumer trends, among others. - Each of the Business Plans are tested for various risks at the Business level. These include financial risks and strategic business risks such as market risks, operational risks and environment risks. - Corporate Sustainability function oversees the management of Sustainability related risks across the Company. - The Sustainability Compliance & Review Committee also provides oversight on management of Sustainability related risks.

Row 4

(2.2.2.1) Environmental issue

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

☑ Tier 4+ suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ WRI Aqueduct

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Internal company methods

☑ ISO 31000 Risk Management Standard

International methodologies and standards

☑ Alliance for Water Stewardship Standard
☑ Environmental Impact Assessment
☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards
☑ Regional government databases

Other

☑ Scenario analysis
☑ Desk-based research
☑ External consultants
☑ Materiality assessment
☑ Source Water Vulnerability Assessment
☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

Chronic physical

☑ Water stress
☑ Groundwater depletion
☑ Declining water quality
☑ Rationing of municipal water supply
☑ Water quality at a basin/catchment level
☑ Water availability at a basin/catchment level
☑ Seasonal supply variability/interannual variability
☑ Increased levels of environmental pollutants in freshwater bodies

Policy

☑ Changes to national legislation

☑ Increased pricing of water
☑ Limited or lack of river basin management
☑ Regulation of discharge quality/volumes
☑ Statutory water withdrawal limits/changes to water allocation

Reputation
☑ Impact on human health
☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology
☑ Transition to water efficient and low water intensity technologies and products

Liability
☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply
☑ NGOs
☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities
☑ Indigenous peoples
☑ Water utilities at a local level
☑ Other water users at the basin/catchment level

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

Methodology for water risk: A multi-dimensional approach which considers: a. Ground Water Extraction Status based on Central Ground Water Board Data Threshold: CGWB's Ground water extraction level: semi-critical (70% - 90%), critical (90% - 100%), overexploited (100%+) b. Baseline Water Stress by WRI Aqueduct. Thresholds used: Medium-High (20% - 40%), High (40% - 80%), Extremely High (80%+) c. Water Quality-related Aspects d. Future Drought Risk From Climate Models. Threshold: No. of months of SPEI (Standardized Precipitation Evapotranspiration Index) < -2 (high levels of meteorological drought): High (0.5 - 1 month), Highest (1 month+) e. Social Aspects & Local Context 100% of owned locations have been assessed. For agri value chains, all three key agri value chains (100%) assessed: Wheat, leaf tobacco and pulpwood. Integration with ITC's Organisation-wide Risk Management Framework ITC's key businesses have adopted the ISO 31000 Risk Management Standard and accordingly, the Risk Management systems and processes prevalent in these Businesses have been independently assessed to be compliant with the said global Standard on Risk Management. The centrally anchored initiative of conducting external independent reviews of key business processes with high 'value at risk' continued during the year. The risk analysis process considers factors such as the likelihood of events and consequences, the nature and magnitude of consequences, complexity and connectivity, time-related factors and volatility, the effectiveness of existing controls, and sensitivity and confidence levels. The Risk Management Committee, constituted by the Board, monitors and reviews the strategic risk management plans of ITC as a whole and provides necessary directions on the same. It also reviews the implementation, effectiveness and adequacy of the risk management policy, plans and systems of the Company. The Corporate Risk Management Cell, through focused interactions with businesses, facilitates the identification and prioritisation of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks. This includes water security which would impact crop cycles, output, productivity and disruption in supply chain and sourcing. ITC conducts a planning exercise which requires all its businesses to clearly identify their top risks (that are reviewed more frequently than quarterly) and set out a mitigation plan with agreed timelines and accountabilities. Each of Business' Plans are tested for various risks at the Business level that take into account financial risks, risks relating to strategic business risks, market risks, operational risks and environment risks. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. The Business-level plans are then independently reviewed and assessed by Corporate Planning function to align plans to group goals as well as to test the robustness of these plans for various scenarios/stress-levels, and report to Corporate Management Committee. In 2024-25, double materiality assessment was reviewed and water continued to be identified amongst the most material issues.

Row 5

(2.2.2.1) Environmental issue

Select all that apply

☑ Forests

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

☑ Tier 4+ suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ IBAT for Business

☑ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD

☑ TNFD – Taskforce on Nature-related Financial Disclosures

Enterprise Risk Management

☑ Enterprise Risk Management

☑ ISO 31000 Risk Management Standard

International methodologies and standards

☑ Environmental Impact Assessment

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards

☑ Regional government databases

Other

☑ Desk-based research

☑ External consultants

☑ Materiality assessment

☑ Partner and stakeholder consultation/analysis

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Heavy precipitation (rain, hail, snow/ice)

Chronic physical

☑ Heat stress

☑ Soil erosion

☑ Water stress

☑ Soil degradation

☑ Change in land-use

☑ Precipitation or hydrological variability

☑ Increased severity of extreme weather events

☑ Water availability at a basin/catchment level

☑ Seasonal supply variability/interannual variability

☑ Changing temperature (air, freshwater, marine water)

☑ Temperature variability

☑ Scarcity of land resources

☑ Declining ecosystem services

☑ Increased ecosystem vulnerability

☑ Water quality at a basin/catchment level

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

Market

☑ Availability and/or increased cost of certified sustainable material

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

☑ Inability to increase yield of existing production areas

☑ Data access/availability or monitoring systems

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Recognising the dependencies and as well as the impacts that operations may have on nature, ITC has embraced a comprehensive approach to manage its interactions with nature and ecosystem services, addressing both current and potential environmental impacts. This approach is also aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). To identify and address forest and biodiversity-related risks, it is crucial to gain location-specific insights on nature and ecosystem services from a dependency-impact perspective, especially for locations near designated eco-sensitive zones. This is essential to design strategies that are tailored to the specific requirements of that location. ITC's step-by-step approach is summarised below: Step 1: Locating & Scoping Business-Nature Interface • Compilation of all business interactions with the natural environment for own operations and value chains • Identification of locations in proximity to ecologically sensitive areas such as Key Biodiversity Areas, Protected Areas, Tiger Corridors, and areas with IUCN Red List species • Portfolio-level screening of sites/locations for water and climate risks based on risk assessments carried out at site and catchment level Step 2: Evaluating & Assessing Nature-related Dependencies, Impacts, Risks & Opportunities (DIRO) • Sectoral analysis across ITC businesses for identification of key dependencies and impacts using available secondary information and TNFD recommended tools/ methodologies like ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) and SBTN Materiality Screening Tool by the Science Based Targets Network. • Prioritisation of actions based on material risks and opportunities in consultation with internal and external stakeholders including multi-disciplinary experts. Step 3: Implementing Management Strategy in line with UN Mitigation Hierarchy • Planning mitigation actions for key risks and opportunities identified in line with the UN Mitigation Hierarchy: Step 1: Avoid Step, 2: Minimise/Reduce, Step 3: Restore/Regenerate, Step 4: Offset, Step 5: Positive Contribution/Transform. • Developing and implementing location-specific and locally contextual Biodiversity Management Plans & Initiatives Step 4: Setting time-bound, science-based targets including KPIs for tracking progress. ITC's double materiality-assessment identified biodiversity and forest-related risks as a material issue. This assessment included multi stakeholder survey representing sustainability experts, civil society organisations, B2B customers, community members, third party manufacturers, logistics partners, media and institutional investors. For deforestation specifically, ITC's Paper and Agri businesses ensure deforestation-free value chains through certifications like FSC® and adoption of sustainable farm practices Integration with ITC's Organisation-wide Risk Management Framework ITC's key businesses have adopted the ISO 31000 Risk Management Standard (entails independent assessment). The Risk Management Committee, constituted by the Board, monitors and reviews the strategic risk management plans of ITC as a whole. ITC conducts a planning exercise which requires all its businesses to clearly identify their top risks including environmental risks (that are reviewed more frequently than quarterly) and set out a mitigation plan with agreed timelines and accountabilities.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Context: ITC's Sustainability 2.0 strategy cognises for the close linkages and interdependencies between climate, water and nature. Especially in agri-catchments, ITC works to conserve and replenish all three natural capitals critical for agriculture: water, soil, and biodiversity, for sustaining agricultural livelihoods and environmental protection. ITC's approach also focusses on the potential of nature-based solutions for carbon sequestration and building resilience against climate and water-related stress. Therefore, ITC prioritises actions to minimise nature-related impacts across realms of land, freshwater, and atmosphere, while sustainably managing its dependencies. Frameworks/Methodologies Used As part of its governance structure, ITC has Board-approved policies on Biodiversity Conservation, Deforestation and Resource Efficiency. Guided by these policies, ITC operates in a manner that minimizes impact on nature across own operations as well as supply chain. ITC has also integrated the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), including the L.E.A.P (Locate, Evaluate, Assess, and Prepare) approach within its biodiversity and nature strategy, which entails the identification and management of material nature-related Dependencies, Impacts, Risks and Opportunities (DIRO). For developing a comprehensive sectoral understanding of nature-related impacts and dependencies across ITC businesses, multiple TNFD-recommended tools are utilized. These include: → ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) Tool → WWF Biodiversity Risk Filter → SBTN Materiality Screening Tool by Science-Based Targets Network. → CDP-Water Impact Index The insights from the above tools are then supplemented with multi-stakeholder inputs from external subject matter experts and ITC's in-house biodiversity, forestry, and agri-experts. Examples: 1. ITC's Climate Smart Agriculture (CSA) programme aims to make agriculture regenerative, productive, sustainable, remunerative and climate resilient. It has now increased its coverage to 3.17 million acres with 1.2 million farmers. In addition, ITC has helped farmers adopt organic cultivation practices and 20,947 acres farms were certified. 2. ITC large-scale forestry programme has covered over 1.3 million acres, sequestering nearly 6.4 million tCO2 annually. 3. Community-driven biodiversity efforts have conserved more than 647,000 acres till date. 4. Coastal flood mitigation strategy at ITC's factory in Chirala, AP through large-scale mangrove conservation project. Mangrove forests play a crucial role in building coastal flood resilience by acting as natural barriers against storm surges and preventing coastal erosion. Further, they also provide various ecosystem services to the fisheries and coastal population, supporting their livelihood, while also acting as a carbon sink. [Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas important for biodiversity

☑ Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to forests

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

Priority locations across operations and key value chains are identified using the following processes: 1. Nature & Biodiversity Risk: ITC's approach starts with undertaking a desk-based assessment covering owned sites spread across the country to gauge the proximity to any eco-sensitive area using public databases like those provided by IUCN and the Ministry of Environment, Forests, and Climate Change. A step wise proximity analysis is carried out that entails: a. Geospatial Mapping of ITC's Operational Activities including Buffer Delineation b. Identifying Proximity of ITC's Operations to Ecologically Sensitive Areas Such as Key Biodiversity Areas, Protected Areas, Tiger Corridors, and IUCN List of Threatened Species c. Identifying High Priority Sites based on Proximity Analysis. 2. Water Risk: A multi-dimensional approach which considers: a. Ground Water Extraction Status based on Central Ground Water Board Data Threshold: CGWB's Ground water extraction level: semi-critical (70% - 90%), critical (90% - 100%), overexploited (100%+) b. Baseline Water Stress by WRI Aqueduct. Thresholds used: Medium-High (20% - 40%), High (40% - 80%), Extremely High (80%+) c. Water Quality-related Aspects d. Future Drought Risk From Climate Models. Threshold: No. of months of SPEI (Standardized Precipitation Evapotranspiration Index) < -2 (high levels of meteorological drought): High (0.5 - 1 month), Highest (1 month+) e. Social Aspects & Local Context 3. Climate Risk: ITC follows a 3-step approach: a. Portfolio-level Assessment for Identifying Vulnerable Sites: Analysing future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought, and more across different climate change scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. Thresholds: For heat: Number of days in a year with WBGT > 35C: 65 days For floods / intense rain: Amount of rainfall (in mm) in 24 hours during a 100 year return period rain event: 385 b. Site-specific Climate Risk Assessments for Vulnerable Sites: → Detailed site-level and hazard specific studies are conducted along with climate experts. These studies include simulations to identify the sources of vulnerability at the site in different scenarios. → The influence of non-climatic / local factors are also considered. c. Locally Contextual Adaptation Plans for Vulnerable Sites. This includes: → Within the site: Physical adaptation measures (grey measures) such as hard engineering or nature-based solutions (green measures) or non-physical measures (soft measures) such as early warning systems, and extreme weather management practices. → In the local catchment: Engaging with local authorities and communities to build community-level resilience

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Direct operating costs

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The substantial risks from climate change, water and forests-related aspects to ITC's Businesses include: - Extreme weather events like floods/cyclones resulting in business disruption is considered as significant - Any event disrupting 1 day of production is considered as low impact, 2-3 days is considered as medium impact, and more than 3 days is considered as high impact. - Chronic impacts of climate change such as high temperature, humidity, changes in rainfall pattern can cause adverse impacts to ITC's value chain, especially the farm value chain. Potential impact on yields of key agri-commodities in the sourcing areas is considered significant - Impacts on yield above 6% is considered as low impact, between 6-10% is considered as medium impact, and above 10% is considered as high impact. - Reputational damage to the Business arising from climate/water/forests related aspects is considered as significant - Any adverse news about ITC in regional media is considered as low impact, in national media is considered as medium impact, and in international media is considered as high impact. - Impact on revenue of the company/business unit/product category by less than 1% (low), between 1-10% (medium) and more than 10% (high). Specific to our water risk assessment methodology, for our direct operations and/or supply chain, the following key areas, any of which would result in the risk or opportunity, is considered as important to ITC. The substantial water related risks to ITC's Businesses include: Risk occurring due to changes in the parameters like extreme weather events, precipitation, temperature (acute physical) have a potential to impact ITCs productivity. These factors which can impact our productivity is considered as Strategic impact by ITC. Local significance - any location's water risk, if unaddressed, can affect Company's social license to operate. For instance, even if a location is not classified as high water risk as per government databases or tools such as WRI Aqueduct, in case WASH/ access to agricultural water is a major challenge for the stakeholders in the catchment, this could affect the Company's BAU operations in the area and creates short-term and long-term water risks. Therefore, the location is treated as high water risk by ITC. Operational disruption at a location that contributes to more than 5% of production volume for a business is considered as high impact.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The substantial opportunities from climate change, water and forests-related aspects to ITC's Businesses include: - Impact on revenue of the company/business unit/product category by less than 1% (low), between 1-10% (medium) and more than 10% (high). - Improvement in agricultural yields for key agri commodities like wheat, tobacco because of sustainable agriculture programmes: Impacts on yield above 6% is considered as low impact, between 6-10% is considered as medium impact, and above 10% is considered as high impact. - Reputational benefits to the Business arising from climate/water/forests related aspects is considered as significant - Any positive news about ITC in regional media is considered as low impact, in national media is considered as medium impact, and in international media is considered as high impact. Other qualitative metrics: - Any improvement in customer satisfaction scores pertaining to sustainability specific metrics - Minimising losses from extreme weather events like floods/cyclones compared to previous events. - Share of revenue or premium from customers demanding sustainable/deforestation-free products
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

The identification on potential pollutants in operations is based on the relevant legislations on waste water quality & quantity (including sector specific requirements) specified by the concerned regulatory agencies, such as the regulatory limits on effluent parameters specified in the facility's Consent to Operate, by concerned State Pollution Control Board. It is ITC's policy to comply with the legal requirements for discharge of water pollutants at 100% of our sites. This is done through a combination of onsite and offsite treatment of wastewater. Our internal monitoring systems & EHS audits ensure this compliance with the legislation and take into account the sensitivity of the water course into which the discharge is going into. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards. The quality of the treated effluent from the units has been maintained at levels below the regulatory norms and relevant sectoral benchmarks. Following physical, chemical and biological parameters are periodically monitored for discharge-pH, BOD, COD, TSS, Phosphate, Oil and Grease, TDS, Chloride, Sulphate, Sulphide AOX as specified in the relevant regulatory water consents. ITC appropriately invests in pollution control equipment and a robust system of monitoring, measuring and reporting is in place to ensure conformity with environmental standards.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Other nutrients and oxygen demanding pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Compared to other industrial sectors, food, beverage & tobacco sector wastewater is free from toxic substances and is readily degradable. The main pollutants from our operations and value chain are organic pollutants and nutrients that are measurable by COD (Chemical Oxygen Demand) and BOD (Biochemical Oxygen Demand) which refers to the amount of oxygen that microorganisms in water will consume in breaking down waste. These organic pollutants if discharged into the final water ecosystem with inadequate /no treatment, could impact water related ecosystems by over saturating it with nutrients resulting to eutrophication (algal blooms & depletion of dissolved oxygen due to decomposition of dead algae by bacteria). Additionally, pollutants could affect the potability and general usability of water, thereby affecting the access to safe drinking water for the local population. The magnitude and scale of these impacts is site-specific and dependent on a variety of anthropogenic and geogenic parameters. ITC considers it a priority to manage water quality risks at the watershed level and return wastewater to natural ecosystems in the cleanest form possible, in order to not have an impact on the environment.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Water recycling

☑ Resource recovery

☑ Upgrading of process equipment/methods

☑ Beyond compliance with regulatory requirements

☑ Requirement for suppliers to comply with regulatory requirements

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

All ITC units met their effluent discharge quality and quantity regulatory norms in 2024-25. Close monitoring of wastewater quality parameters is critical in maximizing recycle and reuse of water in processes and/or utilities, thereby minimizing freshwater withdrawal/consumption. During 2024-25, total volume of water recycled by ITC was 56,42,029 KL. State-of-art effluent treatment facilities in ITC units maintain pollutant levels in treated effluent below the permissible limits by adopting various methods like aerobic treatment process in Primary clarifier followed by MBBR, DAS Aeration lagoon and secondary clarifier. In-house & 3rd party effluent analysis reports from NABL accredited labs at regular intervals. The quality of the treated effluent from the units has been maintained at levels below the regulatory norms and relevant sectoral benchmarks. Physical, chemical and biological parameters as specified in regulatory water consents are periodically monitored for discharge. This include pH, BOD/COD, TSS/TDS, Phosphate, Oil/Grease, AOX etc. Success measure: Specific treated effluent discharge performance of Bhadrachalam Paper Unit (~90% of ITC's discharge in 2024-25): Y-O-Y performance and comparison with global benchmark: - 25.2 m3/tonne in 2023-24 and 23.6 m3/tonne in 2024-25 (vs. annual target of 23.6 in 2024-25) - Specific treated effluent 25.3 kl/BDMT (Bone dry basis) benchmarked against European pulp &paper industry's 47 kl/BDMT

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Pesticides

(2.5.1.2) Description of water pollutant and potential impacts

Currently prevalent agricultural practices discharge large quantities of agrochemicals, organic matter sediments etc. into surface water bodies and soil. Crop production involves inputs such as pesticides and chemical fertilizers which when combined with the method of irrigation, causes chemical pollution natural

ecosystems. Excess nutrients from fertilizers and manure can also release of nitrogen and phosphorus into water ecosystems leading to eutrophication, which can in turn smother aquatic ecosystems. The reduction in dissolved Oxygen can cause death of aquatic organisms. As per WRI, globally, the eutrophication of coastal systems has risen from fewer than 75 systems in 1960 to more than 800 systems today, of which more than 500 have experienced dead zone areas. This degradation of surface water bodies can have direct and indirect impacts on ITC's value chain & operations. The reduction in availability of clean surface water due to aquatic ecosystems being affected by will in turn affect the availability of water required for ITC's manufacturing operations as well as production of agri-commodities which serve as our key raw material. Farmers constitute a vital part of ITC's supply chain. Accordingly, the Company focuses extensively on enhancing the sustainability of its agri-based supply chain. ITC works extensively for promoting sustainable agronomical practices that help reduce/eliminate use of pesticides.

(2.5.1.3) Value chain stage

Select all that apply

☑ Upstream value chain

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Provision of best practice instructions on product use

☑ Requirement for suppliers to comply with regulatory requirements

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

ITC's approach is firstly to eliminate or reduce the pesticides usage and, where this is not possible, substitute these with less hazardous alternatives. Measures of success:- 1.To ensure this, ITC has a dedicated Crop Development and Field Extension team which plays a critical role in reaching out to 100% of our farmer base in educating and creating awareness among product quality, integrity and custody which are integrated across the entire value chain. In order to enable the farmers, minimize Crop Protection Agents (CPA) residues incidence in the crop, a three-pronged approach which includes. -Creating awareness among growers on biological & physical control habits, -Deployment of IPM pest monitoring stations in farms towards rationalization of pesticide application and -Recommendation of safe and approved pesticides are being deployed. The measures being taken are as follows: •Adopting a holistic and proactive approach to farm safety, ITC has equipped 10,316 farmers with Personal Protective Equipment (PPE) kits to ensure the safe handling and application of agrochemicals. •Secured Storage Boxes for chemical safety were distributed to 7,830 farmers, reinforcing safe Crop Protection Agent (CPA) storage practices at the farm level. •The deployment of advanced technologies such as drones has been significantly scaled up to coverage of 30,900 acres. This minimized human exposure to chemicals during spraying activities, enhanced operations
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental risks identified
Climate change	*Select from:* ☑ Yes, both in direct operations and upstream/downstream value chain
Forests	*Select from:* ☑ Yes, both in direct operations and upstream/downstream value chain
Water	*Select from:* ☑ Yes, both in direct operations and upstream/downstream value chain
Plastics	*Select from:* ☑ Yes, both in direct operations and upstream/downstream value chain

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.9) Organization-specific description of risk

ITC's operational footprint includes: - Capital intensive factories like the Paper Mill in Bhadrachalam and 11 large operational Integrated Consumer Goods Manufacturing and Logistics facilities (ICML) located across the country. - Assets located close to eastern as well as western coast of India - leaf threshing unit in Chirala, printing and packaging unit in Tiruvottiyur near Chennai. These assets including factories and warehouses, especially the capital intensive paper mills, are vulnerable to climate change risks like operational disruptions or damages to plant, property and machinery from extreme weather events like floods and cyclones. In 2024, floods in Vijayawada (Andhra Pradesh), Cyclone Fengal & Remal resulted impacted ITC's operations and assets. In 2022, operations were disrupted at ITC's Paper Mill in Bhadrachalam because of unprecedented floods. ITC has also experienced cyclones - Amphan, Tauktae, Gulab and Yaas in earlier years impacting ITC's assets (damages of about INR 130 million). Cyclone Amphan was the first super tropical cyclone formed over the Bay of Bengal with windspeeds reaching as high as 260km/hr,. In recent years, a flood incidence (once in a hundred year event) resulted in damages between INR 1-1.2 billion resulting primarily from loss of inventory. Such events are becoming more common due to impacts of climate change. Therefore, this necessitated the need to develop strategies for mitigating and adapting to such climate risks.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

Extreme weather events such as floods, cyclones etc. disrupt day-to-day operations with potential impact on production and may cause damage to the physical asset itself. With increase in frequency and intensity of these extreme weather events driven by climate change, may result in higher losses in terms of asset-level damage as well as reduced revenues from loss in production, if not addressed properly through site-level risk assessments as well locally contextual climate adaptation plans. In 2024, floods in Vijayawada (Andhra Pradesh), Cyclone Fengal & Remal resulted impacted ITC's operations and assets.

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Extreme weather events are exacerbated by the rising concentration of GHG emissions in the atmosphere. ITC has assessed around 140 sites covering owned assets, key third-party manufacturing Units and potential sites using a contemporary AI-based climate modelling tool. The tool provides future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought and more, across different climate change scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. In FY 2024-25, the tool was used to assess upcoming / strategic sites to screen for physical climate risks. Based on the results, sites have been prioritised for further assessment. Extreme weather events such as floods, cyclones etc. disrupt day-to-day operations with potential impact on production and may cause damage to the physical asset itself. With increase in frequency and intensity of these extreme weather events driven by climate change, may result in higher losses in terms of asset-level damage as well as reduced revenues from loss in production, if not addressed properly through site-level risk assessments as well locally contextual climate adaptation plans.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

640000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

1120000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

1380000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

1530000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

1800000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

2450000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

2720000000

(3.1.1.25) Explanation of financial effect figure

ITC has assessed around 140 sites covering owned assets, key third-party manufacturing Units and potential sites using a contemporary AI-based climate modelling tool. The tool provides future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought and more, across different climate change scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. In FY 2024-25, the tool was used to assess upcoming / strategic sites to screen for physical climate risks. Based on the results, sites have been prioritised for further assessment. Based on the results of climate modelling for priority locations, risks have been quantified using the below approach: 1. Site level exposure to the climate hazards like extreme precipitation and flooding (using climate risk parameters like number of days with precipitation exceeding pre-defined thresholds like 80/90th percentile) was assessed over multiple time horizons and scenarios, and the change in risk over time was used to assess the site-level risk. The change in risk was further bucketed into qualitative thresholds of high, medium and low. 2. These qualitative results were quantified based on the definitions of substantive risk considered, and value at risk for each site was arrived at considering factors such as production capacities, contribution to revenue, alternate capacities available at other factories, insurance coverage of the site, early warning systems available to reduce the impact etc.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Increase insurance coverage

(3.1.1.27) Cost of response to risk

1350000000

(3.1.1.28) Explanation of cost calculation

The cost provided above includes the annual premium paid for purchasing insurance that covers natural calamity risks like floods and cyclones. The premium paid is INR 1,350 Million for insuring ITC's assets worth INR 501.74 Billion. The costs for conducting climate risk assessments is negligible in comparison to insurance premium paid, and is therefore not included above. The costs associated with site-specific measures for improving resilience are part of the capex plan of individual units and are not considered here.

(3.1.1.29) Description of response

Appropriate investments have been made towards climate resilience covering ITC's Units. Business continuity plans and emergency procedures are also in place to mitigate any operational interruption due to extreme weather events. Physical assets have been covered under appropriate insurance scheme(s). Case Study: In 2024, floods in Vijayawada (Andhra Pradesh), Cyclone Fengal & Remal resulted impacted ITC's operations and assets. These incidents resulting in an estimated loss of about INR 640 million, in addition to the production loss in the current year. Based on the climate risk assessments carried out, adaptation strategies for mitigating such climate risks are being/have been implemented across locations. Short-term measures: Firstly, the physical structures such as buildings are appropriately strengthened along with necessary emergency response plans and business continuity plans. Secondly, comprehensive insurance is taken covering events like floods and cyclones (INR 1,351.8 Million premium paid for insuring ITC's assets worth INR 501.74 Billion in 2024-25). Long-term measures: A detailed site specific risks to be carried out to take into account local hydrogeology, topography, rivers and local drainages including factory layout and presence of critical infrastructure

etc. One such study is being carried out at ITC's paper Unit at Tribeni. This study highlights the risks and appropriate site specific risk mitigation and adaptation measures to be taken at the site. The adaptation strategies include storm water management measures such as resizing of existing drains, deepening existing storm water ponds and constructing new storm water ponds, development of bio swales within the factory that direct and retain flood water and flood response plans, amongst others.

Forests

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.2) Commodity

Select all that apply

☑ Timber products

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Uncertainty about commodity origin and/or legality

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.9) Organization-specific description of risk

ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) derive a portion of their revenues from customers that seek only conversion free and deforestation free commodities/products. Physical risks related to forests include impact on water, soil, land-use change, yields and transition risks related to forests include stringent regulations (like EU Deforestation Regulation) and increase in demand from consumers for conversion free and deforestation free commodities/products. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25. Non- compliance with these requirements can lead to loss of revenue from such customers who pay a premium for sourcing conversion free and deforestation free commodities/products. This premium can range between 2-5%, and can be expected to increase in the future in response to increased demand and supply affected by forest-related risks. To address this risk, ITC ensures the timber comes from legal origin, and is sustainably sourced, as mentioned in its board-approved policy on Deforestation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

To address this risk, ITC ensures the timber comes from legal origin, and is sustainably sourced, as mentioned in its board-approved policy on Deforestation. To ensure sustainably sourced timber for curing, ITC has implemented a three-pronged approach towards ensuring sustainable fuel management and conserving energy in tobacco curing. This entails the introduction of fuel-efficient technologies, promotion of self-sustenance in meeting fuel requirement through energy plantations and use of alternative fuels. The energy plantations programme is also being reinforced by establishing Chain of Custody from the wood production source to consumption at farm level. To ensure the timber ITC uses originates from sustainable and legal sources, multiple interventions have been undertaken in the reporting year including FSC certification for pulpwood. These programs where long-term farmer engagement is present are covered under "Mission Sunehra Kal" which is ITC's Social Investments Programme. In the reporting year, ITC, through the above initiatives was able to mitigate the risk and secure the demand from premium paying customers who seek conversion free and deforestation free commodities/products

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Non-compliance with customer requirements may result in reduced demand of ITC-supplied products and possible loss of Customers. For having a differentiated approach on Social Forestry/ Farm Forestry and third-party certified plantation programs, ITC is able to command premium pricing. However, in the absence of these systems or due to any other non-compliance there can be a potential loss of revenue from premium paying customers. This premium can range between 2-5%, and can be expected to increase (say, by 1 percentage point over both medium and long term) in the future in response to increased demand and supply affected by forest-related risks.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

2000000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

2000000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

3000000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

3000000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

4250000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

4000000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

6750000000

(3.1.1.25) Explanation of financial effect figure

ITC earns a premium of 2-5% from customers who source conversion free and deforestation free commodities/products. The financial effect figures represent the estimated total premium earned which is calculated by multiplying the gross revenue of ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU). Inability to supply certified conversion free and deforestation free commodities/products may result in loss of this premium. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25. For estimating the minimum and maximum financial effect figure over short, medium and long term, it is assumed that premiums may rise by 1 percentage point each over both medium (from 2-5% to 3-6%) and long term (4-7%) and the overall potential premium expected is estimated by multiplying the average gross revenue of ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) expected over short, medium and long term (assuming industry average growth rate) with the lower and upper bound of expected premium in the respective time horizon

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Greater traceability of commodities

(3.1.1.27) Cost of response to risk

52000000

(3.1.1.28) Explanation of cost calculation

To ensure the timber ITC uses originates from sustainable sources, multiple interventions have been undertaken in the reporting year including FSC certification for pulpwood, Social and Farm Forestry and Grow Own Fuel for energy plantations for curing wood. These interventions help in enhancing traceability of the timber commodity that is procured by Papers and Agri business. Social Forestry programme is a part of the investments made under "Mission Sunehra Kal" which is ITC's Social Investments Programme. The cost is estimated to be INR 52 million which includes overall spends on ITC's social investments programme, a portion of which is spent on Social Forestry programme and the cost of obtaining third party certifications (FSC) during 2024-25.

(3.1.1.29) Description of response

ITC ensures the sustainable sourcing and deforestation-free status of its products, as mentioned in its board-approved policy on Deforestation. To ensure sustainably sourced timber for curing, ITC has implemented a three-pronged approach towards ensuring sustainable fuel management and conserving energy in tobacco curing. This entails the introduction of fuel-efficient technologies, promotion of self-sustenance in meeting fuel requirement through energy plantations and use of alternative fuels. The energy plantations programme is also being reinforced by establishing Chain of Custody from the wood production source to consumption at farm level.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Statutory water withdrawal limits/changes to water allocation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Cauvery River

☑ Ganges - Brahmaputra

☑ Godavari

☑ Penner River

☑ Tapti River

(3.1.1.9) Organization-specific description of risk

Several ITC Units are located in high water stress catchments including the Gangetic basin (including Brahmaputra). These Units also face water quality issues. With overall water stress projected to worsen with climate change, regulatory authorities can restrict/regulate water withdrawals and discharges in the region. For e.g. Paperboards factory at Tribeni is located on the banks of one of the tributaries of Ganga and discharges part of its treated effluent into the river and therefore faces additional stringent regulations in terms of monitoring effluent volumes and quality. In the past, Central Pollution Control Board issued directions to the State Pollution Control Boards and Pollution Control Committees for directing the 17 categories of highly polluting industries such as Pulp & Paper, Distillery, Sugar, Tanneries, Power Plants, Cement, Oil Refineries etc. for installation of online effluent quality and common emission monitoring systems to help track the discharges of pollutants from these units. While ITC strives to improve its water use efficiency in operations to minimise freshwater withdrawal and maximise recycle and reuse, and ensure that effluent discharge standards are in line with industry benchmarks, regulatory restrictions on withdrawal and stringent discharge requirements can result increased CAPEX/ OPEX as well as affect the facility's day-to-day operations.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

For Units located in water stressed regions, local regulators may impose restrictions on withdrawing groundwater on account of annual variations in water availability. Such variations affect industrial water withdrawal. Therefore, this results in reduced availability of water resulting in additional expenses related to alternate sources of water. To calculate the financial impact in the reporting year, the total water obtained from alternative sources like tanker water is multiplied with additional spend on that source. Additional spend is calculated as the difference between the actual money spent on alternate source and regulatory price of water. The list of water conservation measures undertaken are as follows: 1. Robotic Shower for PM4 Wire Part 2. STP treated water in CT's Make up inplace of fresh water 3. Refiners Sealing Water Recovery 4. Pulp Mill Sealing Water Recovery 5. Hot Water Utilization in Tower Dilution Makeup 6. Recovery of Sludge Losses 7.Installation of UF & RO Plant to recycle treated water effluent to the process 8. Rain water harvesting system from Roof top 9. Pumps & Agitators sealing water is freshwater being substituted with ETP water

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Rising population, urbanization, and economic growth coupled with climate change significantly affect the availability, quality, and access to water in the world. In India, added dimensions of reliance on an increasingly unpredictable monsoon, diminishing groundwater resources, and changes in land use patterns further accentuate the water crisis. This poses both physical and transition risks related to water stress. In order to understand the risk, ITC developed its own water risk assessment methodology. This methodology considers inputs from WRI Aqueduct's Baseline Water Stress (data set used was Aqueduct Global Maps 2.1) to account for physical water risks, Central Ground Water Board's (India) groundwater block classification to account for physical and regulatory risks, and through local stakeholder engagement for identifying water-related social and reputational risks. Water quality-related aspects and future drought risk (based on climate modelling) are also considered while assessing site-level water risks. For sites exposed to high water risk, ITC's approach entails developing an in-depth understanding of the environmental and social aspects of water resources at the catchment/sub-catchment or micro-watershed level where it is located, which is achieved through detailed hydrological and hydrogeological studies and stakeholder engagement processes, respectively.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

9000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

86000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

216000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

216000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

303000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

303000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

432000000

(3.1.1.25) Explanation of financial effect figure

Reduced availability of water at ITC Units may result in contraction in output as a result of shortage or may require sourcing water from alternate sources which may be expensive. In order to understand the risk, ITC developed its own water risk assessment methodology. This methodology considers inputs from WRI Aqueduct's Baseline Water Stress (data set used was Aqueduct Global Maps 2.1) to account for physical water risks, Central Ground Water Board's (India) groundwater block classification to account for physical and regulatory risks, and through local stakeholder engagement for identifying water-related social and reputational risks. Water

quality-related aspects and future drought risk (based on climate modelling) are also considered while assessing site-level water risks. For sites exposed to high water risk, ITC's approach entails developing an in-depth understanding of the environmental and social aspects of water resources at the catchment/sub-catchment or micro-watershed level where it is located, which is achieved through detailed hydrological and hydrogeological studies and stakeholder engagement processes, respectively. Based on the risks level identified from the above methodology, reduced water availability is projected for ITC Units for short-, medium- and long-term ranges. The risk is quantified using the substantive impact thresholds for water-related risks, In case of unavailability of water from primary source, alternate source will be used. The cost is calculated as the difference between cost of water from primary source (sat ground water) and alternate source (third party or tanker water).

(3.1.1.26) Primary response to risk

Nature based solutions, restoration and conservation

☑ Implement ecosystem restoration and long-term protection

(3.1.1.27) Cost of response to risk

572500000

(3.1.1.28) Explanation of cost calculation

In 2024-25, the planned investments of INR 572.5 million for watershed development (soil and moisture conservation) programmes covering both supply side and demand side water management initiatives. The water stewardship actions laid out in the CSR Action Plan are directly correlated to the water-related risks and opportunities identified by the Company.

(3.1.1.29) Description of response

In order to address the water risks, ITC is investing in reducing water demand in the Unit as well as other stakeholders in the catchment along with augmenting water supply. In the agri-catchments, the focus is on drought-proofing agriculture by reducing crop-water demand through agronomic practices for improving soil water-holding capacities and improved irrigation techniques (drip irrigation, augmenting water supply through rejuvenation and / or the creation of water harvesting and recharge structures). Water-efficient agri-practices promoted by ITC have been adopted by farmers on close to 1.8 million acres during the year covering 15 major crops. These practices have potentially saved ~ 1400 million kl during the year as compared to conventional practices. Over the years, ITC has created rainwater harvesting potential through extensive investments in its Integrated Watershed Development Projects. The programme promotes the development and management of local water resources in moisture-stressed areas by facilitating community participation in planning and implementing such measures while building, reviving, and maintaining water-harvesting structures. Furthermore, considering the escalating water stress in urban catchments, ITC has also directed its attention towards comprehending the complexities of urban water stress. As a result, measures have been put into action to manage water stress in two of ITC's urban catchments (Bengaluru and Tiruvottiyur), where the Company's Units are situated. The coverage of the Integrated Watershed Development projects extends to over 1.8 million acres of land. As of March 31, 2025, a total rainwater harvesting potential (RWH) of over 59.90 million kl has been created. In addition, ITC also strives to maximise the water recharge capacity within its own premises. Through various rainwater harvesting initiatives, ITC has established an annual rainwater harvesting potential of 1 million kl within its Units.

Plastics

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Liability

☑ Non-compliance with legislation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ India

(3.1.1.9) Organization-specific description of risk

According to the latest Circularity Gap Report, the global economy has achieved only 7.2% circularity. This means that of the 100+ billion tonnes (World Resources Institute) of resources that enter the global economy every year, more than 90% of materials are either wasted, lost, or unavailable for reuse. Even in India, waste generation has risen considerably due to increasing population, rapid urbanisation, and rising consumption levels. This, coupled with inadequate source segregation and a lack of infrastructure, has culminated in a massive waste management problem, especially with respect to plastic waste. Therefore to tackle this situation, Indian government has introduced comprehensive rules including Extended Producer Responsibility (EPR) laws around managing Plastic waste which have specific targets for all the brands introducing Plastic Packaging into the market. Theses targets are around the following areas: >> Plastic Waste Collection >> Plastic Waste Recycling >> Use of Recycled Content in Plastic Packaging (from 2025-26) >> Reusing Rigid Packaging (from 2025-26) Given the situation and rising concerns around Plastic Waste, there is a possibility that these targets may get more stringent over the years.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

Compliance cost related to meeting EPR targets in 2024-25 related to: >> Plastic Waste Collection >> Plastic Waste Recycling

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Future cost of compliance for meeting EPR targets related to: >> Plastic Waste Collection >> Plastic Waste Recycling >> Use of Recycled Content in Plastic Packaging (from 2025-26) >> Reusing Rigid Packaging (from 2025-26)

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Take action to switch to recycled content to reduce virgin plastic

(3.1.1.29) Description of response

Given ITC's significant presence in the FMCG space, plastic packaging is utilised for safely delivering its world-class products to its consumers. Therefore, in addition to sustainably managing waste generated within manufacturing facilities, management of post-consumer plastic packaging waste and making packaging more sustainable are also key elements of ITC's Sustainability 2.0 vision. Moreover, as a leading Paperboards, Paper & Packaging company, ITC is also leading the way by introducing more recyclable and sustainable packaging solutions in the market including innovative paperboard-based renewable plastic substitution solutions. ITC has been plastic neutral for four years in a row. ITC's Sustainable Packaging Design Approach across FMCG Businesses entails: Better Plastics: Enhancing the recyclability, reusability, compostability or biodegradability of packaging through innovative packaging solutions − Improving recyclability of multi-layer laminate packaging, and phasing-out hard to recycle plastics. − Exploring alternative packaging materials with lower environmental impact including bio-based compostable plastics. − Exploring refillable/reusable models. Less Plastics: Optimising packaging in a way that it reduces the environmental impact arising out of post-consumer packaging waste without affecting integrity of the product. − Progressive reduction in plastic packaging intensity over time. − Introducing recycled content in plastic packaging, wherever permitted by regulations. Over the last three years, ITC's FMCG Businesses have avoided nearly 7,200 tonnes of virgin plastics. No Plastics: Exploring Sustainable Alternatives to Plastics − Leveraging synergies between LSTC, Paper and Packaging, and FMCG Businesses for developing solutions that enable complete or partial substitution of plastics with sustainable alternatives. − Exploring paper as a substrate for packaging.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

9400000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1350000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

Global agreements like the Paris Agreement create a framework for national climate targets (Nationally Determined Contributions), signalling a global shift towards a low-carbon economy. These top-down drivers are amplified by civil society, including NGOs and grassroots movements, who expect governments and corporations to adopt more ambitious renewable energy policies and plans. Over the years, this has led to newer regulations (like India's Carbon Credit Trading Scheme (CCTS)) aimed at decarbonization. Therefore, company's expenditure on power and fuels including fossil fuels will be at risk. In addition to the transition risks, physical impacts of climate change are already visible with increasing frequency and severity of severe droughts, intense rainfall and other extreme weather events like cyclones etc.. Recent IPCC AR6 findings also highlight such risks for South Asia that includes India where ITC primarily operates. The data on financial metric vulnerable to transition risk of climate change includes ITC's expenditure (OPEX) in 2024-25 on power and fuel covering fossil fuels like coal, diesel and renewable sources (INR 9.4 billion). Currently, 52% of ITC's energy is met from renewable sources. The data on financial metric vulnerable to physical risks of climate change covers ITC's expenditure (OPEX) on insurance premium (INR 1.35 billion) for 2024-25 which includes coverage from extreme weather events related damages across ITC's assets. ITC's total OPEX for 2024-25 is INR 516 billion.

Forests

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

9000000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 11-20%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

9000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 11-20%

(3.1.2.7) Explanation of financial figures

ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) derive a portion of their revenues from customers that seek only conversion free and deforestation free commodities/products. Physical risks related to forests include impact on water, soil, land-use change, yields and transition risks related to forests include stringent regulations (like EU Deforestation Regulation) and increase in demand from consumers for conversion free and deforestation free commodities/products. The data on financial metric vulnerable to both physical and transition risks related to forests includes the revenue of ITC's paper and paperboard and Agri businesses (Leaf Tobacco SBU), a portion of which comes from customers that seek only deforestation free commodities/products. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25.

Water

(3.1.2.1) Financial metric

Select from:

☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

400000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

400000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

Several ITC Units are located in high water stress catchments including the Gangetic basin. These Units also face water quality issues. With overall water stress projected to worsen with climate change, regulatory authorities can restrict/regulate water withdrawals and discharges in the region. These represent transition risks of water. Rising population, urbanization, and economic growth coupled with climate change significantly affect the availability, quality, and access to water in the world. In India, added dimensions of reliance on an increasingly unpredictable monsoon, diminishing groundwater resources, and changes in land use patterns further accentuate the water crisis. These represent physical risks related to water. The financial metric vulnerable to transition and physical risks related to water includes water-related OPEX for PSPD units that represent over 90%of the water withdrawal ITC's Total Water Consumption in owned Units. This expenditure (~INR 400 million) includes tariffs, charges/fees related to water and also wastewater treatment related expenses across these locations. ITC's total OPEX for 2024-25 is INR 516 billion.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

6

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 11-20%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 2

(3.2.1) Country/Area & River basin

India

☑ Indus

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 3

(3.2.1) Country/Area & River basin

India

☑ Godavari

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 4

(3.2.1) Country/Area & River basin

India

☑ Krishna

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 5

(3.2.1) Country/Area & River basin

India

☑ Cauvery River

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 6

(3.2.1) Country/Area & River basin

India

☑ Other, please specify :East flowing Rivers between Pennar and Kanyakumari

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 7

(3.2.1) Country/Area & River basin

India

☑ Other, please specify :East flowing Rivers between Mahanadi and Pennar

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 11-20%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity

Row 8

(3.2.1) Country/Area & River basin

India

☑ Other, please specify :West flowing rivers from Tapi to Tadri

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ Less than 1%

(3.2.11) Please explain

% Company-wide facilities this represents number of facilities in the river basin exposed to water risks that could generate a substantive change/ total number of Company facilities % Company's total global revenue that could be affected = Sales or Value of production in the Unit/Total Gross Revenue from Sale of Products and Services of the Company ITC defines a facility as one or more manufacturing units/ hotels/ officers/ warehouses, located within the same compound/ sharing close geographical proximity
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:

☑ No

(3.3.3) Comment

ITC was not subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violation. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards.
[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ No, but we anticipate being regulated in the next three years

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

GST Compensation Cess (earlier called Clean Energy Cess) charges addition tax on Coal at a rate of INR 400 per tonne. Therefore, under the current regulatory regime, this works like an implicit carbon price/carbon tax impacting energy intensive sectors like paper. In future, to meet India's enhanced commitments made at COP26, there could be an introduction of higher carbon taxation on select energy intensive industries and/or products like paper manufacturing in order to incentivize energy efficient production. India has also taken Net Zero by 2070 commitment in that direction, and in this context, Government of India is also developing carbon market to reduce emissions and to pursue a low carbon path more vigorously, as most of the economic sectors are still developing (or yet to develop). In this regard, Ministry of Environment, Forest and Climate Change (MoEFCC) entrusted this important task to Bureau of Energy Efficiency (BEE) for implementation. BEE has prepared a draft blueprint on National Carbon Market to understand the present infrastructure and how carbon markets have been operating, as well as examine the projected view of an independent National Carbon Market. Accordingly, ITC's Paper Business, which accounts for 85% of ITC's total energy consumption, has implemented several initiatives including investments in a green boiler, soda recovery boilers, high pressure &; efficiency circulating fluidized bed boiler, solar &; wind energy and increased usage of bio-fuel. Accordingly, the current energy consumption pattern at these Units signifies their capability of exceeding the energy efficiency target fixed under the PAT scheme. The Bhadrachalam Unit is the first pulp &; paper plant and the second in the country overall, to be rated GreenCo Platinum+ by CII, as part of Green Company rating system. Overall, ITC is pursuing a low carbon growth strategy through extensive decarbonisation programmes across its value chain. These include increasing the share of renewable energy, continuous reduction of specific energy, construction of green buildings, greening logistics and optimising 'distance-to-market', and promoting regenerative agriculture practices in agri value chains. ITC has adopted 2030 targets for enhancing the share of renewable energy usage to 50% of total energy consumption, and meeting 100% of purchased grid electricity requirements from renewable sources by 2030. ITC is also committed to achieving Net Zero Operations by 2050. In order to realise the carbon market opportunity, ITC is targeting to sustain and enhance carbon sequestration by expanding forestry projects on wastelands through ITC's Social and Farm Forestry programmes and other such initiatives to over 1.5 million acres by 2030.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Forests	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Participation in carbon market

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.8) Organization specific description

ITC has large-scale Social and Farm Forestry programme primarily driven by its Paper Business. This programme was started for promoting sustainable forests management with practices in the value chain, and securing the supply of pulpwood for its paper mills. This programme sequesters carbon from the atmosphere and stores it, thereby creating negative emissions. This programme has sequestered 6,464 kilo tonnes of CO2 in FY 2024-25 which was assured by KPMG Assurance and Consulting Services LLP to reasonable level. Apart from sequestering carbon, this programme also provides significant other environmental benefits such as improving productivity of wasteland at the same time several social benefits such as de-risking poor rural households by diversifying farm portfolios through promotion of tree-based farming. With the ongoing rise in corporate Net Zero commitments, the Taskforce on Scaling Voluntary Carbon Markets (TSVCM), sponsored by the Institute of International Finance (IIF) with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Overall, the market for carbon credits could be worth upward of $50 billion in 2030. In addition, India is also developing its own carbon market spearheaded by Bureau of Energy Efficiency (BEE). Once operationalized, this market can also offer opportunity to sell carbon credits from ITC's afforestation programme.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

ITC has large-scale Social and Farm Forestry programme primarily driven by its Paper Business. This programme was started for promoting sustainable forests management with practices in the value chain, and securing the supply of pulpwood for its paper mills. This programme sequesters carbon from the atmosphere and stores it, thereby creating negative emissions. ITC has requested a small portion this project for registration at VERRA (Ref: 4031), Saving for this year was estimated based on the average credit price of USD 5 and assume exchange rate of INR 90/USD.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Anticipated effect: Positive impact through additional stream of potential cashflows via sale of carbon credits, a new market for ITC considering current business portfolio. ITC has large-scale Social and Farm Forestry programme primarily driven by its Paper Business. This programme was started for promoting sustainable forests management with practices in the value chain, and securing the supply of pulpwood for its paper mills. This programme sequesters carbon from the atmosphere and stores it, thereby creating negative emissions. This programme has sequestered 6,464 kilo tonnes of CO2 in FY 2024-25 which was assured by KPMG Assurance and Consulting Services LLP to reasonable level. Apart from sequestering carbon, this programme also provides significant other environmental benefits such as improving productivity of wasteland at the same time several social benefits such as de-risking poor rural households by diversifying farm portfolios through promotion of tree-based farming. India has also taken Net Zero by 2070 commitment in that direction, and in this context, Government of India is also developing carbon market to reduce emissions and to pursue a low carbon path more vigorously, as most of the economic sectors are still developing (or yet to develop). In this regard, Ministry of Environment, Forest and Climate Change (MoEFCC) entrusted this important task to Bureau of Energy Efficiency (BEE) for implementation. BEE has initiated the process for developing National Carbon Market. With the ongoing rise in corporate Net Zero commitments, the Taskforce on Scaling Voluntary Carbon Markets (TSVCM), sponsored by the Institute of International Finance (IIF) with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Overall, the market for carbon credits could be worth upward of $50 billion in 2030. In addition, India is also developing its own carbon market spearheaded by Bureau of Energy Efficiency (BEE). Once operationalized, this market can also offer opportunity to sell carbon credits from ITC's social and farm forestry programme.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

60000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

780000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

2700000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

1450000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

10180000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

1670000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

11710000000

(3.6.1.23) Explanation of financial effect figures

The above is estimated as the product of total GHG removals from ITC's Social and Farm Forestry programme with approximate price of a carbon credit. Total amount of GHG removals from ITC's Social and Farm Forestry programme in 2024-25 is 6,464 kilo tonnes of CO2. This figure is assured by KPMG Assuance and Consulting Services LLP. It is also assumed that benefits from this project will be equally (50:50) distributed between ITC and farmers. Price of carbon credit is expected to vary significantly over short-, medium- and long-term. For the short-term, average price of voluntary carbon credit available is published in 'State of Voluntary Carbon Market 2025' for the year 2024 was taken. During the year, minimum price was USD 2.67 to maximum price was USD 9.27. For the medium-term, price of carbon credit is estimated to between USD 5 to USD 35 as per the "Future Size of the Voluntary Carbon Market" report published by Trove Research. The Taskforce on Scaling Voluntary Carbon Markets (TSVCM), sponsored by the Institute of International Finance (IIF) with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Price of carbon credit would also increase by the same factor based on demand supply gap. Hence, the long-term price was made proportional to this increase in market size. In addition, India is also developing its own carbon market spearheaded by Bureau of Energy Efficiency (BEE). Once operationalized, this market can also offer opportunity to sell carbon credits from ITC's social and farm forestry programme. However, no estimates are available on the carbon price in this market and hence, it has been ignored for the time being. Exchange rate is assumed to be 90 INR/USD for calculations.

(3.6.1.24) Cost to realize opportunity

4615000000

(3.6.1.25) Explanation of cost calculation

With the ongoing rise in corporate Net Zero commitments, the Taskforce on Scaling Voluntary Carbon Markets (TSVCM), sponsored by the Institute of International Finance (IIF) with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Overall, the market for carbon credits could be worth upward of 50 billion in 2030. ITC is pioneering afforestation initiative through its Forestry programmes greened over 90,000 acres during the year. Together, with ITC's Farm Forestry programme this initiative has greened over 1 million acres till date. Therefore, ITC is well positioned to leverage the carbon market opportunity by virtue of its large-scale forestry programmes. In order to realise this opportunity, ITC is targeting to sustain and enhance carbon sequestration by expanding forestry projects on wastelands through ITC's Social and Farm Forestry programmes and other such initiatives to over 1.5 million acres by 2030. Further, fast growing, high yielding and disease resistant hybrid clones and saplings of eucalyptus pulpwood developed by ITC deliver significantly higher productivity vis-a-vis earlier clones. The clones have been developed to grow under varying ecological conditions, thereby building resilience and contributing towards increasing income for the farming community. Besides enhancing farm level employment, generating incomes and increasing green cover, this large-scale initiative also contributes meaningfully to India's target to create additional carbon sinks for tackling climate change. ITC also supports the adoption of carbon market in India that will benefit afforestation and tree-based farming practices. ITC is also participating in the consultations held by Government for developing carbon markets in India. Cost: The reported cost includes the annual expense for 2024-25 on CSR expense that also includes costs related to the Social Forestry Programme. This programme includes cost of clones and saplings, training and extension services provided to farmers for promotion of climate resilient practices including tree-based farming, soil health management and intercropping etc.

(3.6.1.26) Strategy to realize opportunity

ITC is pioneering afforestation initiative through its Forestry programmes greened 153,000 acres during the year. Together, with ITC's Farm Forestry programme this initiative has greened over 1.3 million acres till date. Therefore, ITC is well positioned to leverage the carbon market opportunity by virtue of its large-scale forestry

programmes. In order to realise this opportunity, ITC is targeting to sustain and enhance carbon sequestration by expanding forestry projects on wastelands through ITC's Social and Farm Forestry programmes and other such initiatives to over 1.5 million acres by 2030. Further, fast growing, high yielding and disease resistant hybrid clones and saplings of eucalyptus pulpwood developed by ITC deliver significantly higher productivity vis-a-vis earlier clones. The clones have been developed to grow under varying ecological conditions, thereby building resilience and contributing towards increasing income for the farming community. Besides enhancing farm level employment, generating incomes and increasing green cover, this large-scale initiative also contributes meaningfully to India's target to create additional carbon sinks for tackling climate change. ITC also supports the adoption of carbon market in India that will benefit afforestation and tree-based farming practices. ITC is also participating in the consultations held by Government for developing carbon markets in India. With ongoing focus on climate change including corporate Net Zero commitments, this opportunity is significant. Taskforce on Scaling Voluntary Carbon Markets (TSVCM), sponsored by the Institute of International Finance (IIF) with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Overall, the market for carbon credits could be worth upward of $50 billion in 2030.

Forests

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.2) Commodity

Select all that apply

☑ Timber products

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Increased demand for certified and sustainable materials

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.8) Organization specific description

ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) derive a portion of their revenues from customers that seek only conversion free and deforestation free commodities/products. This presents opportunity for ITC through building resilience in the supply chain by mitigating physical risks related to forests include impact on water, soil, land-use change, yields and transition risks related to forests include stringent regulations (like EU Deforestation Regulation) and increase in demand from consumers for conversion free and deforestation free commodities/products. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25. Ability to service these customers through appropriate strategies can secure revenue from such customers who pay a premium for sourcing conversion free and deforestation free commodities/products. This premium can range between 2-5%, and can be expected to increase in the future in response to increased demand and supply affected by forest-related risks. To address this opportunity, ITC ensures the timber comes from legal origin, and is sustainably sourced, as mentioned in its board-approved policy on Deforestation. To ensure sustainably sourced timber for curing, ITC has implemented a three-pronged approach towards ensuring sustainable fuel management and conserving energy in tobacco curing.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenue resulting from price premiums

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

To realise this opportunity, ITC ensures the timber comes from legal origin, and is sustainably sourced, as mentioned in its board-approved policy on Deforestation. To ensure sustainably sourced timber for curing, ITC has implemented a three-pronged approach towards ensuring sustainable fuel management and conserving energy in tobacco curing. This entails the introduction of fuel-efficient technologies, promotion of self-sustenance in meeting fuel requirement through energy plantations and use of alternative fuels. The energy plantations programme is also being reinforced by establishing Chain of Custody from the wood production source to consumption at farm level. To ensure the timber ITC uses originates from sustainable and legal sources, multiple interventions have been undertaken in the reporting year including FSC certification for pulpwood. These programs where long-term farmer engagement is present are covered under "Mission Sunehra Kal" which is ITC's Social Investments Programme. In the reporting year, ITC, through the above initiatives was able to secure the revenue from premium paying customers who seek conversion free and deforestation free commodities/products.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Through building resilience in the supply chain from both physical and transition risks that are forests-related, ITC can become the preferred supplier to customers who seek conversion free and deforestation free commodities/products. For having a differentiated approach on Social Forestry/ Farm Forestry and third-party certified plantation programs, ITC is able to command premium pricing. This will result in increased revenues from both increase in demand from premium paying customers. This premium can range between 2-5%, and can be expected to increase (say, by 1 percentage point over both medium and long term) in the future in response to increased demand from such customers and supply affected by forest-related risks in other growing regions (non-ITC).

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

2000000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

2000000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

3000000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

3000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

4250000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

4000000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

6750000000

(3.6.1.23) Explanation of financial effect figures

ITC earns a premium of 2-5% from customers who source conversion free and deforestation free commodities/products. The financial effect figures represent the estimated total premium earned which is calculated by multiplying the gross revenue of ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU). Ability to supply certified conversion free and deforestation free commodities/products will result in increased revenue through premium pricing. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25. For estimating the minimum and maximum financial effect figure over short, medium and long term, it is assumed that premiums may rise by 1 percentage point each over both medium (from 2-5% to 3-6%) and long term (4-7%) and the overall potential premium expected is estimated by multiplying the average gross revenue of ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) expected over short, medium and long term (assuming industry average growth rate) with the lower and upper bound of expected premium in the respective time horizon.

(3.6.1.24) Cost to realize opportunity

52000000

(3.6.1.25) Explanation of cost calculation

To ensure the timber ITC uses originates from sustainable sources, multiple interventions have been undertaken in the reporting year including FSC certification for pulpwood, Social and Farm Forestry and Grow Own Fuel for energy plantations for curing wood. These interventions help in enhancing traceability of the timber commodity that is procured by Papers and Agri business. Social Forestry programme is a part of the investments made under "Mission Sunehra Kal" which is ITC's Social Investments Programme. The cost is estimated to be INR 52 million which includes overall spends on ITC's social investments programme, a portion of which is spent on Social Forestry programme and the cost of obtaining third party certifications (FSC) during 2024-25.

(3.6.1.26) Strategy to realize opportunity

Deforestation-free Pulpwood Value Chain: ITC's Paperboards and Specialty Papers Business is committed to Forest Stewardship Council® (FSC®) principles. Till date, ITC has received Forest Stewardship Council® - Forest Management (FSC®-FM) certification for over 165,000 acres of plantations involving over 26,337 farmers, as per which all rare, threatened and endangered species are conserved in the areas considered under the scope of certification. It also provides assurance that methods for enhancing the biodiversity potential of the planted areas like retention of old growth / snag trees, retention of large woody debris, creation of water bodies, and agro-chemical management, etc., are being practiced. During the year, 466,738 tonnes of FSC® certified wood was procured from these certified plantations. Enabling a 'Deforestation free' Leaf Tobacco Value Chain: ITC Agri-Business is committed to ensuring 'Zero Deforestation' across the leaf tobacco value chain. The Business has focused on the twin strategy of a) reducing fuel wood requirement in tobacco curing by promoting Energy Conservation barns and b) promoting energy planation in the supply chain by engaging with the farming community, Community Based Organisations (CBOs), Non-Governmental Organisations (NGOs), research institutions and Government departments. These initiatives have reduced the total wood requirement for tobacco curing and has also enhanced wood sustainability in tobacco growing area. Energy Conservation Barns – Reducing Fuel Wood Requirement for Tobacco CuringEnergy Conservation Barns with roof insulation and turbo ventilators reduces fuel requirement by 27% and they have been scaled up to 42,501 barns in Karnataka and Andhra Pradesh. SMART curing barns which reduce fuel requirement by 40% have been scaled up to 126 units. Energy Plantation – Enhance Wood Biomass in Tobacco Growing Areas: To promote a self-sustaining model for wood sourcing, an initiative for behavioural change among farming community to Grow Own Fuel (GOF) in their own fields following agro-forestry models is being carried out. This is part of an overall programme on Energy Plantations. The initiative has been cumulatively scaled up to 257,000 acres till date through Energy Plantations. Proximity Analysis to Key Biodiversity Areas: Analysis of tobacco growing areas in proximity to protected areas and recognised high biodiversity value areas was carried out in collaboration with IIFM.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Reduced water usage and consumption

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ India

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Indus

☑ Krishna

☑ Godavari

☑ Penner River

☑ Tapti River

☑ Cauvery River

☑ Ganges - Brahmaputra

☑ Mahanadi River (Mahahadi)

☑ Other, please specify **:Tadri, East flowing Rivers between Pennar and Kanyakumari, West flowing rivers from Tapti to Tadri**

(3.6.1.8) Organization specific description

Many ITC Units are located in high water stress catchments (groundwater/ surface water), where in the immediate/ medium term, water availability could be a significant challenge. Therefore, by optimizing water use in the operations by maximizing recycle/ reuse of process water to the extent possible and by arresting water wastages (major and minor), retrofitting equipment and systems, our facilities are able to attain continual improvement of water efficiency in operations, which would help in reducing our dependency on freshwater withdrawals from already water stressed catchments e.g. paper mills at Bhadrachalam (BCM) and Tribeni accounted for 99% of ITC's total treated wastewater discharged outside the premises.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

ITC's manufacturing locations, spread across the country, rely on continuous availability of water for uninterrupted operations. Recognising the importance of water availability for its operations and the catchments from where agricultural commodities are sourced, ITC's Sustainability 2.0 approach centres on enabling water security for all stakeholders in its catchments. While ITC strives to improve its water use efficiency in operations to minimise freshwater withdrawal and maximise recycle and reuse, and ensure that effluent discharge standards are followed to the highest capacity possible, beyond a point, regulatory restrictions on discharge can result increased CAPEX/ OPEX as well as affect the facility's BAU operations. In line with Sustainability 2.0 ambitions, ITC Businesses are implementing various measures to enhance water use efficiency, aiming for a 40% reduction in specific water consumption by 2030 compared to FY 2018-19. As a result, ITC's Specific Water Consumption per rupee of turnover has reduced by ~35% to ~420 kl/INR crore compared to FY 2018-19 baseline. In order to achieve this target, ITC's Businesses are regularly investing in water saving measures. The opportunity cost for the reporting year is calculated by multiplying the amount of water saved during the year with the cost of water. The indicative figures represents the three of our Paperboards division factories, which account for ~90% of ITC's annual water withdrawal in the reporting year. The list of water conservation measures undertaken are as follows: 1. Robotic Shower for PM4 Wire Part 2. STP treated water in CT's Make up inplace of fresh water 3. Refiners Sealing Water Recovery 4. Pulp Mill Sealing Water Recovery 5. Hot Water Utilization in Tower Dilution Makeup 6. Recovery of Sludge Losses 7.Installation of UF & RO Plant to recycle treated water effluent to the process 8. Rain water harvesting system from Roof top 9. Pumps & Agitators sealing water is freshwater being substituted with ETP water

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Anticipated effect: Anticipated reduction opex through water savings achieved in line with ITC's target of reducing specific water consumption by 40% by 2030. The indicative financial impact refers to the capex and opex cost undertaken in the three of our Paperboards division factories, which account for ~90% of ITC's annual water withdrawal in the reporting year. CAPEX includes investments in rain water harvesting, water saver nozzles, auto controls, ETP Scada, TDS Reduction of RO, plant upgradation, Ultrasonic portable water flowmeter etc. OPEX includes effluent treatment costs, operation & maintenance of ETP, WTP, RO Plant, repairs, water related payroll, water cess etc.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

4000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

900000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

70000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

2000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

140000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

3000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

210000000

(3.6.1.23) Explanation of financial effect figures

While investments in water savings, aim to reduce the risks of impact from reduced water availability, it also helps in reducing the costs. The opportunity is currently estimated from the reduction in costs associated with water from the water efficiency improvement activities. Estimation has focused on three Units of ITC's Paperboards Business, i.e. Bhadrachalam, Tribeni and Kovai, that accounts for 93% of ITC's total water withdrawal. ITC's S2.0 target for reducing specific water consumption by 40% (2018-19 vs 2030-31) was taken as a basis for arriving the estimation. This reduction in water consumption (based on specific water consumption targets) is multiplied with the total water cost. For the short-term, actual reduction in water consumption achieved by FY 2024-25 was used. For medium-term, it is assumed that S2.0 target on reduction in water consumption will be achieved. (40% reduction) And for the long-term, it is assumed that an additional 10% reduction (above the target) will be achieved.

(3.6.1.24) Cost to realize opportunity

555000000

(3.6.1.25) Explanation of cost calculation

The indicative financial impact refers to the capex and opex cost undertaken in the three of our Paperboards division factories, which account for ~90% of ITC's annual water withdrawal in the reporting year. CAPEX includes investments in rain water harvesting, water saver nozzles, auto controls, ETP Scada, TDS Reduction of RO, plant upgradation, Ultrasonic portable water flowmeter etc. OPEX includes effluent treatment costs, operation & maintenance of ETP, WTP, RO Plant, repairs, water related payroll, water cess etc.

(3.6.1.26) Strategy to realize opportunity

Many ITC Units are located in high water stress catchments (groundwater/ surface water), where in the immediate/ medium term, water availability could be a significant challenge. Therefore, by optimizing water use in the operations by maximizing recycle/ reuse of process water to the extent possible and by arresting water wastages (major and minor), retrofitting equipment and systems, our facilities are able to attain continual improvement of water efficiency in operations, which would help in reducing our dependency on freshwater withdrawals from already water stressed catchments.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

5280000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 21-30%

(3.6.2.4) Explanation of financial figures

While climate change poses both physical and transition risks, it also presents multiple opportunities in the form of access to new customers and new markets, efficiently meeting compliances ahead of peer companies, improving resilience, and demonstrating sustainability leadership through achievement of decarbonisation targets. In order to realise these opportunities, ITC makes capital investments (CAPEX) on an ongoing basis. The financial metric aligned to the opportunities related to climate change includes specific Capex (INR 5.28 billion) for 2024-25 covering investments in the areas of renewable energy, green buildings, energy efficient equipment, pollution control equipment, water management and treatment system (including rain water harvesting) etc. ITC's total CAPEX for 2024-25 is INR 18.42 billion.

Forests

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

90000000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 11-20%

(3.6.2.4) Explanation of financial figures

ITC's Paperboards and Specialty Papers and Agri businesses (Leaf Tobacco SBU) derive a portion of their revenues from customers that seek only conversion free and deforestation free commodities/products. The opportunities related to forests include increase in revenue from customers seeking conversion free and deforestation free commodities/products including premium on products that meet these requirements, and access to new markets with deforestation-related regulations. The data on financial metric aligned to forests related opportunities includes the revenue of ITC's Paper and Paperboard and Agri businesses (Leaf Tobacco SBU), a portion of which comes from customers that seek only deforestation free commodities/products. Overall, these businesses contribute close to INR 90 billion of ITC's overall revenues of INR 734 billion in 2024-25.

Water

(3.6.2.1) Financial metric

Select from:

☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

5280000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 21-30%

(3.6.2.4) Explanation of financial figures

While water stress poses both physical and transition risks, it also presents multiple opportunities in the form of access to new customers and new markets, efficiently meeting compliances ahead of peer companies, building resilience, and demonstrating sustainability leadership through achievement of decarbonisation targets. In order to realise these opportunities, ITC makes capital investments (CAPEX) on an ongoing basis. The financial metric aligned to the opportunities related to climate

change includes specific Capex (INR 5.28 billion) for 2024-25 covering investments in the areas of pollution control equipment, water management and treatment system (including rain water harvesting), renewable energy, green buildings, energy efficient equipment etc. ITC's total CAPEX for 2024-25 is INR 18.42 billion. [Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

ITC's Policy is:(a) the Board shall have an optimum combination of Executive, Non-Executive and Independent Directors. Such combination shall also comply with all the applicable statutory requirements with regard to the composition and diversity of the Board. The Committee shall identify persons who are qualified to be appointed as Directors, based on the criteria formulated for determining qualifications, positive attributes and independence of Directors (including Independent Directors), and recommend such appointments to the Board;(b) the Board shall have balance of skills, competencies, experience and diversity of perspectives appropriate to the Company. For this purpose, diversity shall be considered from a number of aspects including, but not limited to, educational & cultural background,

nature of professional, administrative & industry experience, skills, knowledge, and gender representation;(c) for appointment as a Director on the Board, no person shall be discriminated based, inter alia, on the grounds of age, gender, gender identity, marital status, caste, race, colour, religion, ethnicity, sexual orientation, or any other personal or physical traits;(d) gender is a significant contributor to diversity of perspectives. Inclusion of women with the right skills and experience offers the opportunity to enrich the quality of discourse in the Boardroom. Refer: https://www.itcportal.com/about-itc/policies/policy-on-board-diversity.pdf

(4.1.6) Attach the policy (optional)

policy-on-board-diversity.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Forests	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair
☑ Director on board
☑ Chief Executive Officer (CEO)
☑ Chief Financial Officer (CFO)
☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference
☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding value chain engagement
☑ Approving corporate policies and/or commitments
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Chairman of the Company is Board chair and the Chief Executive (CEO) of the Company. He also chairs the CSR & Sustainability Committee of the Board and the Risk Management Committee. Primary role of Chairman, as Chair to the above committees, is to provide leadership and strategic directions including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Significant investments above a defined threshold are approved by the Board. E.g., Over the last few years, significant investment plans (of > INR 2 billion) for achieving sustainability targets were reviewed and approved by the Board. This includes the High-Pressure Soda Recovery Boiler and turbo-generator system at Bhadrachalam paper mill aimed at reducing coal consumption was earlier approved by the Board. This investment enabled the share of renewable energy to rise from 43% in 2022-23 to 52% in 2024-25. Recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the Board. Responsibility of CSR & Sustainability Committee is to review, monitor and provide strategic direction to Company's CSR/Social Investments Programme and sustainability practices and policies. During the year, the Committee approved and reviewed investments of INR 4.61 billion covering large scale programmes on climate smart agriculture, social forestry, water stewardship, livestock development and waste management. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets related to climate, forests, water, biodiversity and plastics for sustainability-related incentives for senior management. These include 2030 climate targets:50% renewable energy share, 100% RE electricity, 30% reduction in specific energy, 50% reduction in specific emissions, social and farm forestry over 1.5 million acres, and climate smart agriculture over 4 million acres. Responsibility of Risk Management Committee (RMC) is to provide strategic risk management framework and review of risk mitigation strategies including prioritisation and mitigation plan. RMC has reviewed the work on physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well.

Forests

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Chief Executive Officer (CEO)

☑ Chief Financial Officer (CFO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding value chain engagement

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Chairman of the Company is Board chair and the Chief Executive (CEO) of the Company. He also chairs the CSR & Sustainability Committee of the Board and the Risk Management Committee. Primary role of Chairman, as Chair to the above committees, is to provide leadership and strategic directions including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Significant investments above a defined threshold are approved by the Board. E.g., Over the last few years, significant investment plans (of > INR 2 billion) for achieving sustainability targets were reviewed and approved by the Board. Recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the Board. Responsibility of CSR & Sustainability Committee is to review, monitor and provide strategic direction to Company's CSR/Social Investments Programme and sustainability practices and policies. During the year, the Committee approved and reviewed investments of INR 4.61 billion covering large scale programmes on climate smart agriculture, social forestry, water stewardship, livestock development and waste management. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets related to climate, forests, water, biodiversity and plastics for sustainability-related incentives for senior management. These include 2030 nature targets like social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Responsibility of Risk Management Committee (RMC) is to provide strategic risk management framework and review of risk mitigation strategies including prioritisation and mitigation plan. RMC has reviewed the work on physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Board chair
☑ Director on board

☑ Chief Executive Officer (CEO)
☑ Chief Financial Officer (CFO)
☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply
☑ Board Terms of Reference
☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:
☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply
☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding value chain engagement
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Approving corporate policies and/or commitments
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Chairman of the Company is Board chair and the Chief Executive (CEO) of the Company. He also chairs the CSR & Sustainability Committee of the Board and the Risk Management Committee. Primary role of Chairman, as Chair to the above committees, is to provide leadership and strategic directions including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Significant investments above a defined threshold are approved by the Board. E.g., recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the Board. Responsibility of CSR & Sustainability Committee is to review, monitor and provide strategic direction to Company's CSR/Social Investments Programme and sustainability practices and policies. During the year, the Committee approved and reviewed investments of INR 4.61 billion covering large scale programmes on climate smart agriculture, social forestry, water stewardship, livestock development and waste management. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets related to climate, forests, water, biodiversity and plastics for sustainability-related incentives for senior management. These include 2030 water targets: 40% reduction in specific water consumption, creation of rainwater harvesting potential equivalent to over 5 times the net water consumption, certification of all sites in high water stressed areas as per the international water stewardship standard by Alliance for Water Stewardship (AWS) by 2035, demand side management interventions in agriculture enabling savings of 2,000 million kilolitres, creating a watershed area of 2,200,000 acres, 50,000 storage structures and 60 million kl water storage potential. Responsibility of Risk Management Committee (RMC) is to provide strategic risk management framework and review of risk mitigation strategies including prioritisation and mitigation plan. RMC has reviewed the work on physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Chief Executive Officer (CEO)

☑ Chief Financial Officer (CFO)

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding value chain engagement

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding public policy engagement

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Chairman of the Company is Board chair and the Chief Executive (CEO) of the Company. He also chairs the CSR & Sustainability Committee of the Board and the Risk Management Committee. Primary role of Chairman, as Chair to the above committees, is to provide leadership and strategic directions including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Significant investments above a defined threshold are approved by the Board. E.g., Over the last few years, significant investment plans (of > INR 2 billion) for achieving sustainability targets were reviewed and approved by the Board. Recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the Board. Responsibility of CSR & Sustainability Committee is to review, monitor and provide strategic direction to Company's CSR/Social Investments Programme and sustainability practices and policies. During the year, the Committee approved and reviewed investments of INR 4.61 billion covering large scale programmes on climate smart agriculture, social forestry, water stewardship, livestock development and waste management. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets related to climate, forests, water, biodiversity and plastics for sustainability-related incentives for senior management. These include 2030 nature targets like social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Responsibility of Risk Management Committee (RMC) is to provide strategic risk management framework and review of risk mitigation strategies including prioritisation and mitigation plan. RMC has reviewed the work on physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic
☑ Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify :Post graduation in Chemistry, and obtained an M. Phil in Life Sciences from the Jawaharlal Nehru University and a Masters in Development Finance. A Masters in Development Planning and Project Management from the University of Bradford, UK

Experience
☑ Active member of an environmental committee or organization
☑ Experience in an academic role focused on environmental issues
☑ Staff-level experience in a role focused on environmental issues
☑ Executive-level experience in a role focused on environmental issues
☑ Management-level experience in a role focused on environmental issues
☑ Experience in the environmental department of a government (national or local)
☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic
☑ Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify :Post graduation in Chemistry, and obtained an M. Phil in Life Sciences from the Jawaharlal Nehru University and a Masters in Development Finance. A Masters in Development Planning and Project Management from the University of Bradford, UK

Experience
☑ Executive-level experience in a role focused on environmental issues
☑ Management-level experience in a role focused on environmental issues
☑ Staff-level experience in a role focused on environmental issues
☑ Experience in the environmental department of a government (national or local)
☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Water

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic

☑ Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify :Post graduation in Chemistry, and obtained an M. Phil in Life Sciences from the Jawaharlal Nehru University and a Masters in Development Finance. A Masters in Development Planning and Project Management from the University of Bradford, UK

Experience

☑ Active member of an environmental committee or organization

☑ Experience in an academic role focused on environmental issues

☑ Staff-level experience in a role focused on environmental issues

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

☑ Experience in the environmental department of a government (national or local)

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes

	Management-level responsibility for this environmental issue
Forests	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive (CEO) is Chairman of the Company and Board chair. He also chairs the Corporate Management Committee (CMC). Responsibility of CMC is to provide strategic management including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Committee reviews and approves investment plans including those aimed at sustainability targets. E.g., Over the last few years, significant investment plans (of > INR 2 billion) for achieving climate targets were reviewed and approved by the CMC. This includes the High-Pressure Soda Recovery Boiler and turbo-generator system at Bhadrachalam paper mill aimed at reducing coal consumption. This investment enabled the share of renewable energy to rise from 43% in 2022-23 to 52% in 2024-25. CMC has constituted the Sustainability Compliance Review Committee (SCRC), with its chairman being a member of the CMC. Its role includes monitoring and evaluating compliance with the Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation. The SCRC meets at least four times a year. The CMC reviews the performance of ITC businesses towards achievement of 2030 climate goals::50% renewable energy share, 100% RE electricity etc. The CMC reviews physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well. The adaptation measures for the climate risks identified from risk studies are planned and deployed by respective businesses after CMC's approval. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the SCRC and CMC

Forests

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement
☑ Managing engagement in landscapes and/or jurisdictions
☑ Managing public policy engagement related to environmental issues
☑ Managing supplier compliance with environmental requirements
☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets
☑ Monitoring compliance with corporate environmental policies and/or commitments
☑ Measuring progress towards environmental corporate targets
☑ Measuring progress towards environmental science-based targets
☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Developing a climate transition plan
☑ Implementing a climate transition plan
☑ Conducting environmental scenario analysis
☑ Managing annual budgets related to environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Developing a business strategy which considers environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive (CEO) is Chairman of the Company and Board chair. He also chairs the Corporate Management Committee (CMC). Responsibility of CMC is to provide strategic management including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Committee reviews and approves investment plans including those aimed at sustainability. E.g., recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. CMC has constituted the Sustainability Compliance Review Committee (SCRC), with its chairman being a member of the CMC. Its role includes monitoring and evaluating compliance with the Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation. The SCRC meets at least four times a year. SCRC guided the development and review of ITC's first nature report aligned to TNFD recommendations. The CMC reviews physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well. The adaptation measures for the climate risks identified from risk studies are planned and deployed by respective businesses after CMC's approval. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the SCRC and CMC.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement
☑ Managing engagement in landscapes and/or jurisdictions
☑ Managing public policy engagement related to environmental issues
☑ Managing supplier compliance with environmental requirements
☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets
☑ Monitoring compliance with corporate environmental policies and/or commitments
☑ Measuring progress towards environmental corporate targets
☑ Measuring progress towards environmental science-based targets
☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Developing a climate transition plan
☑ Implementing a climate transition plan
☑ Conducting environmental scenario analysis
☑ Managing annual budgets related to environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Developing a business strategy which considers environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive (CEO) is Chairman of the Company and Board chair. He also chairs the Corporate Management Committee (CMC). Responsibility of CMC is to provide strategic management including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Committee reviews and approves investment plans including those aimed at sustainability targets. These include 2030 water targets: 40% reduction in specific water consumption, rainwater harvesting potential equivalent to 5X net water consumption, AWS certification of sites in high water stressed areas by 2035, demand side management in agriculture for annual savings 2,000 million kilolitres, creating a watershed area of 2,200,000 acres, 50,000 storage structures and 60 million kl water storage potential. CMC has constituted the Sustainability Compliance Review Committee (SCRC), with its chairman being a member of the CMC. Its role includes monitoring and evaluating compliance with the Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation. The SCRC meets at least four times a year. SCRC guided the development and review of ITC's first nature report aligned to TNFD recommendations. The CMC reviews physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well. The adaptation measures for the climate risks identified from risk studies are planned and deployed by respective businesses after CMC's approval. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the SCRC and CMC.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive (CEO) is Chairman of the Company and Board chair. He also chairs the Corporate Management Committee (CMC). Responsibility of CMC is to provide strategic management including on matters related to ESG/sustainability issues like climate change, forests, water, plastics and biodiversity. Committee reviews and approves investment plans including those aimed at sustainability. E.g., recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. CMC has constituted the Sustainability Compliance Review Committee (SCRC), with its chairman being a member of the CMC. Its role includes monitoring and evaluating compliance with the Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation. The SCRC meets at least four times a year. SCRC guided the development and review of ITC's first nature report aligned to TNFD recommendations. The CMC reviews physical risk and transition risk for various scenarios (SSP1 – 2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons, and risk management approach for water, biodiversity and forests as well. The adaptation measures for the climate risks identified from risk studies are planned and deployed by respective businesses after CMC's approval. Company's ESG/sustainability disclosures covering materiality assessment, management approach, targets/KPIs, performance and plans on topics covering climate change, forests, water, plastics and biodiversity are also reviewed and approved by the SCRC and CMC.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. This includes 2030 climate targets:50% renewable energy share, 100% RE electricity, 30% reduction in specific energy, 50% reduction in specific emissions, social and farm forestry over 1.5 million acres, and climate smart agriculture over 4 million acres. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management.

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long -Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. This includes 2030 targets: Social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long -Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 targets: 40% reduction in specific water consumption, rainwater harvesting potential equivalent to 5X net water consumption, AWS certification of sites in high water stress areas by 2035, demand side management in agriculture for annual savings 2 billion kl, creating a watershed area of 2,2 million acres, and 60 million kl water storage. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

☑ Salary increase

☑ Shares

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 climate targets: 50% renewable energy share, 100% RE electricity, 30% reduction in specific energy, 50% reduction in specific emissions, social and farm forestry over 1.5 million acres, and climate smart agriculture over 4 million acres. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management. Performance is evaluated on both short- term i.e., current year's performance and performance over three-year period, as well as long-term, i.e., execution of strategy and direction for meeting long-term/2030 goals (ITC's 2030 Goals). Achievement of sustainability goals including climate change carries a weightage of 10% in the long-term incentives. Apart from fixed elements of remuneration and benefits / perquisites, the Chairman & Managing Director, Executive Directors, Key Managerial Personnel and Senior Management are eligible for Performance Bonus which is linked to their individual performance and overall performance of Company which also includes ESG milestones covering water stewardship related targets and plans. Achievement of sustainability goals including climate change carries a weightage of 10% in the annual performance bonus of senior management across ITC Businesses. These incentives are linked to the achievement of ITC's 2030 goals including those on climate change: 50% renewable energy share, 100% RE electricity, 30% reduction in specific energy, 50% reduction in specific emissions, social and farm forestry over 1.5 million acres, and climate smart agriculture over 4 million acres. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 climate targets: 50% renewable energy share, 100% RE electricity, 30% reduction in specific energy, 50% reduction in specific emissions, social and farm forestry over 1.5 million acres, and climate smart agriculture over 4 million acres. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation.

Forests

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary
☑ Bonus – set figure
☑ Salary increase
☑ Shares

(4.5.1.3) Performance metrics

Targets
☑ Progress towards environmental targets
☑ Achievement of environmental targets
☑ Organization performance against an environmental sustainability index

Resource use and efficiency
☑ Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain

Policies and commitments
☑ Increase in verified compliance with Deforestation and Conversion Free (DCF) policies and/or commitments
☑ Restoration and compensation to address past deforestation and conversion

Engagement
☑ Increased engagement with suppliers on environmental issues
☑ Increased engagement with smallholders on environmental issues
☑ Increased engagement with customers on environmental issues
☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives
☑ Increased value chain visibility (traceability, mapping)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 nature, forests and biodiversity conservation targets: social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management. Performance is evaluated on both short- term i.e., current year's performance and performance over three-year period, as well as long-term, i.e., execution of strategy and direction for meeting long-term/2030 goals (ITC's 2030 Goals). Achievement of sustainability goals including nature, forests and biodiversity conservation carries a weightage of 10% in the long-term incentives. Apart from fixed elements of remuneration and benefits / perquisites, the Chairman & Managing Director, Executive Directors, Key Managerial Personnel and Senior Management are eligible for Performance Bonus which is linked to their individual performance and overall performance of Company which also includes ESG milestones covering water stewardship related targets and plans. Achievement of sustainability goals including nature, forests and biodiversity conservation carries a weightage of 10% in the annual performance bonus of senior management across ITC Businesses. These incentives are linked to the achievement of ITC's 2030 goals including those on nature, forests and biodiversity conservation: social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 nature, forests and biodiversity conservation targets: social and farm forestry over 1.5 million acres, biodiversity conservation over 1 million acres, watershed development over 2.2 million acres, and climate smart agriculture over 4 million acres. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

☑ Salary increase

☑ Shares

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Resource use and efficiency

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

☑ Reduction in water consumption volumes – direct operations

☑ Improvements in emissions data, reporting, and third-party verification

☑ Improvements in water efficiency – upstream value chain (excluding direct operations)

☑ Improvements in water efficiency – downstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Policies and commitments

☑ Implementation of water-related community project

☑ Increased access to workplace WASH – direct operations

☑ Increased access to workplace WASH – upstream value chain (excluding direct operations)

☑ Increased access to workplace WASH – downstream value chain (excluding direct operations)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 water targets: 40% reduction in specific water consumption, rainwater harvesting potential equivalent to 5X net water consumption, AWS certification of sites in high water stress areas by 2035, demand side management in agriculture for annual savings 2 billion kl, creating a watershed area of 2,2 million acres, and 60 million kl water storage. Nomination and Remuneration Committee of the Board evaluates the sustainability performance of the Company including achievement of targets for sustainability-related incentives for senior management. Performance is evaluated on both short- term i.e., current year's performance and performance over three-year period, as well as long-term, i.e., execution of strategy and direction for meeting long-term/2030 goals (ITC's 2030 Goals). Achievement of sustainability goals including water stewardship carries a weightage of 10% in the long-term incentives. Apart from fixed elements of remuneration and benefits / perquisites, the Chairman & Managing Director, Executive Directors, Key Managerial Personnel and Senior Management are eligible for Performance Bonus which is linked to their individual performance and overall performance of Company which also includes ESG milestones covering water stewardship related targets and plans. Achievement of sustainability goals including water stewardship carries a weightage of 10% in the annual performance bonus of senior management across ITC Businesses. These incentives are linked to the achievement of ITC's 2030 goals including those on water security: 40% reduction in specific water consumption, rainwater harvesting potential equivalent to 5X net water consumption, AWS certification of sites in high water stress areas by 2035, demand side management in agriculture for annual savings 2 billion kl, creating a watershed area of 2,2 million acres, and 60 million kl water storage. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and ESG objectives of the enterprise including achievement of targets related to climate, forests, water, biodiversity and plastics. Accordingly, Annual Performance Bonuses (short term) and Long-Term Incentives of senior management and managers are linked to the achievement of ITC's sustainability goals. These include 2030 water targets: 40% reduction in specific water consumption, rainwater harvesting potential equivalent to 5X net water consumption, AWS certification of sites in high water stress areas by 2035, demand side management in agriculture for annual savings 2 billion kl, creating a watershed area of 2,2 million acres, and 60 million kl water storage. Businesses are also evaluated on compliance to Company's Sustainability Policies including policies on resource efficiency (covering climate, water and plastics-related aspects), conservation of biodiversity, nature and deforestation.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

ITC has adopted a comprehensive set of Board approved Sustainability Policies that are being implemented across the organisation and its value chain (upstream and downstream) including sourcing areas of key commodities which are primarily spread across India. Policies pertaining to environmental issues of climate change, forests, water and biodiversity include: Policy on Sustainable Supply Chain and Responsible Sourcing Policy on Biodiversity Conservation Policy on Deforestation Policy on Resource Efficiency (issues addressed: climate change, water, waste, plastics) Policy on Environment, Health and Safety Code of Conduct for Suppliers and Service Providers Other relevant policies are Policy on Stakeholder Engagement, Policy on Responsible Advocacy, Policy on Product Stewardship and Policy on Responsible Marketing. The Policies are aimed at strengthening the mechanism of engagement with key stakeholders, identification of material sustainability issues and progressively monitoring and mitigating the impact along the value chain of each Business. The overall responsibility for ensuring implementation of these Policies resides with the Divisional / Strategic Business Unit Chief Executives and the Heads of Corporate Functions who work with their respective management teams. Various committees designated with specific responsibilities have also been constituted for operationalising the Sustainability Policies.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to respect legally designated protected areas

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to avoidance of negative impacts on threatened and protected species

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems

☑ Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

☑ Commitment to not invest in fossil-fuel expansion

☑ Commitment to not funding climate-denial or lobbying against climate regulations

☑ Other climate-related commitment, please specify :ITC's S2.0 Goals include commitment to reduce GHG emissions, water intensity, increase rainwater harvesting, among others. GHG reduction targets and renewable energy targets are ahead of the India's NDC commitments

Forests-specific commitments

☑ Commitment to best management practices for soils and peat

☑ Commitment to facilitate the inclusion of smallholders into the value chain

☑ Commitment to no-conversion of natural ecosystems by target date, please specify :ITC aims for 'Zero Deforestation' (no-conversion) and endeavors to source agri commodities and wood from sustainable sources. (Achieved and maintained)

☑ Commitment to no-deforestation by target date, please specify :ITC aims for 'Zero Deforestation' (no-conversion) and endeavors to source agri commodities and wood from sustainable sources. (Achieved and maintained)

Water-specific commitments

☑ Commitment to reduce water consumption volumes

☑ Commitment to reduce water withdrawal volumes

☑ Commitment to reduce or phase out hazardous substances

☑ Commitment to the conservation of freshwater ecosystems

☑ Commitment to water stewardship and/or collective action

☑ Other water-related commitment, please specify **:Improve Crop Water Use Efficiency in Agri Value Chains through Demand Side Management interventions: Potential Water Usage Saved (million kl): 2000**

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to safely managed WASH in local communities

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

☑ Commitment to respect internationally recognized human rights

☑ Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

Additional references/Descriptions

☑ Description of commodities covered by the policy

☑ Description of environmental requirements for procurement

☑ Description of renewable electricity procurement practices

☑ Reference to timebound environmental milestones and targets

☑ Description of dependencies on natural resources and ecosystems

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement
☑ Yes, in line with the Kunming-Montreal Global Biodiversity Framework
☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation
☑ Yes, in line with another global environmental treaty or policy goal, please specify :India's Nationally Determined Contribution (NDC) to the Paris Agreement

(4.6.1.7) Public availability

Select from:
☑ Publicly available

(4.6.1.8) Attach the policy

Sustainability Policies.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:
☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply
☑ Alliance for Water Stewardship (AWS)
☑ Global Reporting Initiative (GRI) Community Member
☑ Task Force on Nature-related Financial Disclosures (TNFD)
☑ World Business Council for Sustainable Development (WBCSD)
☑ Other, please specify :IBBI - India Business & Biodiversity Initiative India Plastics Pact

(4.10.3) Describe your organization’s role within each framework or initiative

ITC is a member of Alliance for Water Stewardship (AWS) which is a global, multi-stakeholder membership alliance and international standard for responsible water use. As a member of AWS, ITC provides its feedback in shaping the standard in water stewardship is also committed to getting all of its Sites located in high water stressed areas certified as per the AWS standard. ITC is a member of Global Reporting Initiative (GRI) which is an independent and non-profit organization that aims to define/refine best practices on sustainability reporting. As a member of GRI's South Asia region, ITC strengthens the disclosures in the region and help shape the global standards on sustainability reporting. ITC is a member of WBCSD. As a member, ITC contributes to various working groups and participates in applicable India-focussed engagements especially in the areas of ESG disclosures, Net Zero, Climate Adaptation, Circularity and Regenerative Agriculture. ITC is an adopter of the TNFD framework, and is committed to disclose in line with the framework requirements and recommendations. ITC is a member of the India Business and Biodiversity Initiative (IBBI), which is a multi-stakeholder initiative with leading Indian businesses making commitment for biodiversity conservation and sustainable resource use. As a member of the IBBI advisory group, ITC is actively involved in consultations and knowledge exchange on Biodiversity conservation and frameworks such as the TNFD. ITC is a founding member of India Plastics Pact - a Confederation of Indian Industry initiative, launched in September 2021, unites businesses, governments, NGOs, and citizens to create a circular plastics economy in India. The CII-ITC Centre of Excellence for Sustainable Development (CESD) anchors the India Plastics Pact, within CII. The India Plastics Pact's vision is to create a world where plastic is valued and doesn't pollute the environment. The Pact focuses on addressing the barriers to circularity in the plastic packaging sector through four ambitious time-bound targets. The India Plastics Pact is the first Plastics Pact in Asia and is part of the Plastics Pact Network convened by the Ellen MacArthur Foundation and WRAP.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Kunming-Montreal Global Biodiversity Framework

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

☑ Another global environmental treaty or policy goal, please specify :India's Nationally Determined Contribution (NDC) under Paris Agreement; India Plastic Pact (based on Ellen MacArthur Foundation and WRAP, UK)

(4.11.4) Attach commitment or position statement

4.11_India Plastics Pact_Roadmap-to-2030-1.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

ITC's Board approved policies on Responsible Advocacy and Stakeholder Engagement lay down the philosophy, approach and processes for ensuring that all engagements are in line with ITC's values and overall approach to sustainability including climate change. Further, ITC has set company-wide 2030 Climate Targets, and there is a Board approved policy on Resource Efficiency that further spells out the organizational direction and approach on climate change. These Policies are implemented through appropriate Governance structures that include the Corporate & Divisional Management Committees, Sustainability Compliance Review Committee and CSR & Sustainability Committee of the Board. In the past, ITC has also submitted these commitments to the Ministry of Environment, Forest and Climate Change as a part of the India CEO Forum on Climate Change.
[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Asia and Pacific

☑ Confederation of Indian Industries (CII)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

CII works to create and sustain an environment conducive to the growth of business, partnering business and government alike through training, advisory and consultative services. These services comprise capacity building and training programmes and workshops related to environment policies, management systems, management frameworks, performance assessment, sustainability reporting, stakeholder engagement, sustainability assurance, climate change, sustainable business portfolios and business model innovation. On climate change, CII supports the current policy framework in India. According to CII, the present policy

instruments of Government of India to various low carbon technologies and strategies constitute one of the strongest responses to global climate change by any developing country. CII also established a Climate Change Council, that was created to strategize on implementation of the National Action Plan on Climate Change and to engage industry, policy makers and R&D institutes to formulate strategies to commit to accelerate deployment of clean energy technologies, build capacity to access and internalize cutting edge technologies. CII-ITC Centre of Excellence for Sustainable Development (CII-ITC CESD) looks at climate change as a strategic risk to business and offers services related to reducing business's vulnerability to climate change via, climate change risk and opportunity assessment services, GHG inventorization, carbon neutrality services and sequestration study. CII-ITC CESD is the secretariat to the Climate Change Council, a high-level industry body convened by CII to spearhead climate policy advocacy. Working groups are constituted within the council to study, discuss and build consensus on key emerging issues on climate change, with outcomes being communicated through white papers and working group reports. ITC is also a founding member of The India Plastics Pact, a collaboration between WWF India and CII—anchored at the CII-ITC Centre of Excellence for Sustainable Development (CESD), and supported by WRAP, a global NGO based in the UK. We do not disclosure funding figures.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

150000000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The funding figure provided includes membership fees paid to multiple trade associations. The Company's Policy on Responsible Advocacy approved by the Board provides the framework for necessary interface with Government/ Regulatory Authorities on matters concerning various sectors in which the Company operates. Sector-wise matters taken up are in line with national priorities to strengthen domestic industry, promoting sustainable agriculture and business practices. The Company works with apex industry institutions that are engaged in policy advocacy, like the Confederation of Indian Industry, Federation of Indian Chambers of Commerce & Industry, Associated Chambers of Commerce and Industry of India, and various other forums including regional Chambers of Commerce. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and taking into consideration interests of all stakeholders.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement
☑ Kunming-Montreal Global Biodiversity Framework
☑ Sustainable Development Goal 6 on Clean Water and Sanitation
☑ Another global environmental treaty or policy goal, please specify :India Plastic Pact (based on Ellen MacArthur Foundation and WRAP, UK)
[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ GRI
☑ TCFD
☑ TNFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change
☑ Forests
☑ Water
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Commodity volumes
☑ Water accounting figures
☑ Water pollution indicators
☑ Content of environmental policies
☑ Deforestation and conversion footprint
☑ Deforestation- and conversion-free (DCF) status metrics
☑ Risks & Opportunities
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Biodiversity indicators
☑ Public policy engagement

(4.12.1.6) Page/section reference

1.SUSTAINABILITY 2.0 Ambitions: Page 56 2.Climate Change: Page 84 3.Energy Conservation and Renewable Energy: page 86-87 4.GHG and Carbon Sequestration: Page 88-90 5.Water Security: page 115 6.Towards Circularity: page 126 7.Biodiversity Management:Page 107 8. Stakeholder Engagement, Materiality & Risk Management: Page 26 9. Sustainable Supply Chain: 139

(4.12.1.7) Attach the relevant publication

itc-sustainability-report-2025 (1).pdf

(4.12.1.8) Comment

ITC has been reporting its sustainability performance annually, and the Sustainability Report 2025 covers the sustainability performance for the period April 1, 2024 to March 31, 2025. ITC's Sustainability Report 2025 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. Reporting on sustainability topics continues to be on the basis of materiality. The Reporting Principles, Universal Standards and Topic Standards detailed in the GRI Standards have been considered while preparing the Report. In addition, the Report continues to be aligned to the requirements of the Integrated Reporting Framework. The Report also contains disclosures pertaining to the Task Force on Climate-related Financial Disclosures (TCFD) and Task Force on Nature-related Financial Disclosures (TNFD) recommendations. During the year, ITC published its first nature report in line with TNFD recommendations.
https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-nature-report.pdf
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually

Forests

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios
☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:
☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:
☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply
☑ Policy
☑ Market
☑ Acute physical
☑ Chronic physical

☑ Liability
☑ Reputation
☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 1.5°C or lower

(5.1.1.7) Reference year

2018

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030
☑ 2040
☑ 2050
☑ 2070

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands
☑ Consumer sentiment

Regulators, legal and policy regimes
☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets

☑ Methodologies and expectations for science-based targets

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

IEA NZE scenario with the principles of CBDR. Based on the principles of Common but differentiated responsibilities and respective capabilities (CBDR-RC) as outlined in the Paris Agreement, The Climate Equity Monitor (CEM) tool establishes remaining carbon budget and year by which a country must achieve net zero to align to the 1.5-degree pathway. For India, to be aligned to 1.5-degree trajectory, it must achieve Net-zero by 2074 as per the CEM tool. India has committed to be Net-Zero by 2070. India submitted its NDC as part of the Paris Climate Accords, and updated 2030 targets at COP26 that entails a 45% reduction in emission intensity, creating an additional carbon sink of 2.5-3 billion tonnes of CO2 and achieve ~50% cumulative electric power installed capacity from non-fossil fuel-based energy resources. It also includes adaptation strategies covering National Mission for Sustainable Agriculture. National Water Mission (NWM) and National Rural Livelihoods Mission. A thorough review of climate change scenarios, covering both mitigation strategies and adaptation strategies, as detailed out in India's NDC was conducted. In line with India's commitments, ITC has also set 2030 climate targets: 50% share of renewable energy, 100% of purchased grid electricity from renewable sources, reducing specific energy consumption by 30% and specific GHG emissions by 50% (2018-19 baseline), and sustain and enhance carbon sequestration by expanding forestry projects on wastelands through ITC's Social and Farm Forestry programme over 1.5 million acres. In 2024-25, CO2 removal and storage in the wood grown as a part of ITC's social and farm forestry programme is more than twice the amount of GHG emitted from its operations. ITC has also submitted these commitments to the Ministry of Environment, Forest and Climate Change as a part of the India CEO Forum on Climate Change. In line with the 2030 goals, ITC's Businesses have set voluntary targets on key performance indicators such as specific energy consumption, specific greenhouse gas emission, specific water intake, specific waste generation etc. to demonstrate continual improvement on their environmental performance. An organisation-wide integrated sustainability data management system supplemented by standard operating procedures for measurement and recording, provides the platform to monitor the performance of each business on resource utilisation and environmental impact vis-à-vis production.

(5.1.1.11) Rationale for choice of scenario

Net Zero scenario has been selected which is the most desired one as per scientific literature.

Forests

(5.1.1.1) Scenario used

Forests scenarios

☑ Bespoke forests scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands
☑ Consumer sentiment

Regulators, legal and policy regimes
☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets
☑ Methodologies and expectations for science-based targets

Macro and microeconomy
☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has conducted sectoral evaluation of forest-related risks and opportunities, using tools recommended by leading nature frameworks like the Taskforce on Nature-related Financial Disclosures (TNFD), such as WWF Biodiversity Risk Filter, and ENCORE, which are aligned to global nature-related targets set by the Kunming-Montreal Global Biodiversity Framework. Multiple nature-related scenarios covering timescales - 2030, 2040 and 2050 are considered for both physical and transition risks.

(5.1.1.11) Rationale for choice of scenario

The overall nature-related assessment, include forest-related risk assessments, are aligned to widely adopted nature frameworks such as Taskforce on Nature-related Financial Disclosures (TNFD), WWF Biodiversity Risk Filter.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2018

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted

☑ Changes in ecosystem services provision

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has considered the following scenarios: 1. India's Nationally determined contributions(NDCs) 2. In order to identify long term risks, ITC has worked with climate experts to conduct a comprehensive climate change risk and vulnerability assessment using climate models across its operating locations (factories, hotels, warehouses etc.).The assessment considers impact of climate and water related variables like temperature, precipitation, sea level rise, river/coast proximity and extreme weather events over long-term time frames (2040-2060 and 2060-2080) under Shared Socioeconomic Pathways (SSPs)-SSP-1 2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5 8.5 (4.4C).In line with the findings of the assessment, detailed site-specific assessments are being undertaken for identifying site-specific risk mitigation and adaptation measures. Business Plans are tested for various risks like financial, strategic business, market, operational and environment. They are tested on the robustness for scenarios/stress levels.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.5ºC - 2.9ºC

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030
☑ 2040
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Other finance and insurance driving forces, please specify :Insurance

Regulators, legal and policy regimes
☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets
☑ Methodologies and expectations for science-based targets

Relevant technology and science
☑ Granularity of available data (from aggregated to local)

Direct interaction with climate
☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has used a contemporary AI-based climate modelling tool to assess ~140 operating sites, including all ITC own units and key value chain units for high level physical risks of climate change. The assessment included analysing future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought and more, across different climate change scenarios (SSP1–2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. Based on the results, sites were prioritized for further assessment.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 1.9

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Other finance and insurance driving forces, please specify :Insurance

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has used a contemporary AI-based climate modelling tool to assess ~140 operating sites, including all ITC own units and key value chain units for high level physical risks of climate change. The assessment included analysing future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought and more, across different climate change scenarios (SSP1–2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. Based on the results, sites were prioritized for further assessment.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030
☑ 2040
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Other finance and insurance driving forces, please specify :Insurance

Regulators, legal and policy regimes

☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets
☑ Methodologies and expectations for science-based targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has used a contemporary AI-based climate modelling tool to assess ~140 operating sites, including all ITC own units and key value chain units for high level physical risks of climate change. The assessment included analysing future forecasts of 20+ climate metrics that quantitatively illustrate the extent of impacts from numerous climate hazards such as rising heat, intense rainfall, floods, extreme wind, drought and more, across different climate change scenarios (SSP1–2.6 (1.8°C), SSP2-4.5 (2.7°C) & SSP5-8.5 (4.4°C)) and time horizons. Based on the results, sites were prioritized for further assessment.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 1.9

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030
☑ 2040
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Changes to the state of nature
☑ Number of ecosystems impacted
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands
☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

☑ Other regulators, legal and policy regimes driving forces, please specify :Groundwater regulations

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has considered the following scenarios: 1. India's Nationally determined contributions(NDCs) 2. In order to identify long term risks, ITC has worked with climate experts to conduct a comprehensive climate change risk and vulnerability assessment using climate models across its operating locations (factories, hotels, warehouses etc.).The assessment considers impact of climate and water related variables like temperature, precipitation, sea level rise, river/coast proximity and extreme weather events over long-term time frames (2040-2060 and 2060-2080) under Shared Socioeconomic Pathways (SSPs)-SSP-1 2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5 8.5 (4.4C).In line with the findings of the assessment, detailed site-specific assessments are being undertaken for identifying site-specific risk mitigation and adaptation measures. Business Plans are tested for various risks like financial, strategic business, market, operational and environment. They are tested on the robustness for scenarios/stress levels.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.5ºC - 2.9ºC

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

☑ Other regulators, legal and policy regimes driving forces, please specify :Groundwater regulations

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has considered the following scenarios: 1. India's Nationally determined contributions(NDCs) 2. In order to identify long term risks, ITC has worked with climate experts to conduct a comprehensive climate change risk and vulnerability assessment using climate models across its operating locations (factories, hotels, warehouses etc.).The assessment considers impact of climate and water related variables like temperature, precipitation, sea level rise, river/coast proximity and extreme weather events over long-term time frames (2040-2060 and 2060-2080) under Shared Socioeconomic Pathways (SSPs)-SSP-1 2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5 8.5 (4.4C).In line with the findings of the assessment, detailed site-specific assessments are being undertaken for identifying site-specific risk mitigation and adaptation measures. Business Plans are tested for various risks like financial, strategic business, market, operational and environment. They are tested on the robustness for scenarios/stress levels.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands
☑ Consumer sentiment

Regulators, legal and policy regimes
☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets
☑ Methodologies and expectations for science-based targets
☑ Other regulators, legal and policy regimes driving forces, please specify :Groundwater regulations

Relevant technology and science
☑ Granularity of available data (from aggregated to local)

Direct interaction with climate
☑ On asset values, on the corporate

Macro and microeconomy
☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

ITC has considered the following scenarios: 1. India's Nationally determined contributions(NDCs) 2. In order to identify long term risks, ITC has worked with climate experts to conduct a comprehensive climate change risk and vulnerability assessment using climate models across its operating locations (factories, hotels, warehouses etc.).The assessment considers impact of climate and water related variables like temperature, precipitation, sea level rise, river/coast proximity and extreme weather events over long-term time frames (2040-2060 and 2060-2080) under Shared Socioeconomic Pathways (SSPs)-SSP-1 2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5 8.5 (4.4C).In line with the findings of the assessment, detailed site-specific assessments are being undertaken for identifying site-specific risk mitigation

and adaptation measures. Business Plans are tested for various risks like financial, strategic business, market, operational and environment. They are tested on the robustness for scenarios/stress levels.

(5.1.1.11) Rationale for choice of scenario

ITC has selected Shared Socioeconomic Pathways of SSP1-2.6 (1.8C), SSP2-4.5 (2.7C) and SSP5-8.5 (4.4C). It covers SSP2-4.5 that is as per our current policy levels. This scenario is supported by the most desired one of SSP1-2.6. In addition, extreme scenario of SSP5-8.5 was carried out for stress testing the plans.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

To identify long-term physical risks, used a contemporary AI-based climate modelling tool (using CMIP6 with bias correction using satellite data) to assess physical climate risks in all ITC own units and key value chain units. ITC has carried out detailed scenario analysis as per IEA NZE and India's NDC to understand the long-term climate transition risks. Risks identified from above forms part of ITC's Risk Management System where factors such as the likelihood of events and consequences, the nature and magnitude of consequences, complexity and connectivity, time-related factors and volatility, the effectiveness of existing controls, and sensitivity and confidence levels. The Corporate Governance Policy approved by the Board, clearly lays down the roles and responsibilities of the various entities in

relation to risk management covering a range of responsibilities, from the strategic to the operational. The annual planning exercise requires all businesses to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. For instance, several assets will witness extended periods of extreme heat stress additional (WBGT beyond 35 degrees) of 1 - 2 month in a year. Extreme heat stress is caused by rising humidity along with temperature impacting the ability of the human body to regulate body temperature through perspiration deteriorates. For one of the key paper mills, the analysis suggested that by 2050, the no. of days in a year will increase by 50% under 2-degree scenario. Accordingly, adaptation strategies like climate-controlled factories, passive cooling techniques, adjusting outdoor working hours will need to be considered. Examples of decisions informed by scenario analysis in the reporting year: 1. In the reporting year, ITC is initiated a trial of an innovative outdoor cooling system in one of its factories to reduce thermal stress which has exacerbated due to physical impacts of climate change. If successful, it will be installed across the factories that are facing or expected to face high heat stress. 2. In response to increasing consumer awareness and demand related to organic products, ITC recently completed the acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity.

Forests

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

ITC has conducted a high-level sectoral nature-related risk assessment which consists of inputs from TNFD recommended tools such as ENCORE, WWF Biodiversity Risk Filter, and has also assessed risk from proximity of operations to ecologically sensitive areas to account for any physical or regulatory risks through collaboration between internal stakeholders and external experts. For instance, Agribusiness conducted a geospatial analysis to identify any ecologically sensitive areas in proximity to for tobacco growing villages. Considering the prioritized nature of villages located in proximity of a KBA, ITC has planned to formulate a Biodiversity

Management Plan (BMP) for these villages as well as create awareness among the local community on importance of Biodiversity, Good Agricultural Practices (GAP), Integrated Pest Management (IPM) etc. ITC has also used contemporary AI-based climate modelling tool (using CMIP6 with bias correction using satellite data) to assess physical climate risks in all ITC own units and key value chain units. Detailed assessment of long-term climate impacts for our key-agri commodities has also been conducted which highlights impact on yield. Risks identified from above forms part of ITC's Risk Management System where factors such as the likelihood of events and consequences, the nature and magnitude of consequences, complexity and connectivity, time-related factors and volatility, the effectiveness of existing controls, and sensitivity and confidence levels. The Corporate Governance Policy approved by the Board, clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from the strategic to the operational. The annual planning exercise requires all businesses to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. Examples of decisions informed by scenario analysis in the reporting year: 1. In response to the risks related to soil health in agri value chains, ITC is developing organic farming clusters. Organic farming has emerged as a key pathway to sustainable agriculture in India, offering a strong alternative to conventional systems reliant on synthetic chemicals. By using natural pest control methods and biological inputs derived from plants and animals, organic farming protects the environment while enhancing soil fertility and biodiversity. For Indian farmers, this approach leads to healthier soils, reduced input costs, and access to premium markets that value certified organic produce. Recognizing these benefits, ITC's Agri Business Division (ABD) is developing organic farming clusters across five States—Uttar Pradesh, Madhya Pradesh, Maharashtra, Rajasthan, and Jammu. During the reporting year, the initiative scaled up to include 12 Internal Control Systems (ICS) clusters, encompassing over 5,400 farmers and 14,682 acres, with a focus on key crops such as Wheat, Paddy, Soybean, Gram, and Mustard. The clusters are being developed under the National Programme for Organic Production (NPOP) certification, which guarantees the authenticity of produce in domestic and export markets. All 12 ICS clusters have completed first year certification, with six advancing to the second year. Upon successful completion of the third year, full NPOP certification will open broader market opportunities. Additionally, organic practices are contributing to improved soil organic carbon and overall soil health. 2. In response to increasing consumer awareness and demand related to organic products, ITC recently completed the acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Climate Scenarios: ITC has used contemporary AI-based climate modelling tool (using CMIP6 with bias correction using satellite data) to assess physical climate risks in all ITC own units and key value chain units. These physical risks also include impacts such as water stress, precipitations levels, floods among others under different climate scenarios for various periods. The study showed the probable risks of water-related climate change impacts such as changes in precipitation, increased frequency of droughts (both of which affect water availability), floods and sea-level rise on its physical assets. Detailed assessment of long-term climate impacts on water for our key-agri commodities has also been conducted which highlights impact on yield. ITC has also developed its own water risk assessment methodology, which considers inputs from WRI Aqueduct's Baseline Water Stress (Aqueduct 4.0) to account for physical water risks, Central Ground Water Board's (India) groundwater block classification to account for physical and regulatory risks, and through local stakeholder engagement for identifying water-related social and reputational risks. Risks identified from above forms part of ITC's Risk Management System where factors such as the likelihood of events and consequences, the nature and magnitude of consequences, complexity and connectivity, time-related factors and volatility, the effectiveness of existing controls, and sensitivity and confidence levels. The Corporate Governance Policy approved by the Board, clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from the strategic to the operational. The annual planning exercise requires all businesses to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountabilities. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. For instance, several assets will witness higher water stress (reduced availability in some periods and floods in another) which will be exacerbated by climate change and rapid urbanization leading to lower groundwater percolation. ITC has been working on integrated watershed management programme around its operating locations and key value chains to augment water supply. ITC has continued working on this approach in the reporting year as well. As of Mar 2025, the total rainwater harvesting potential created is nearly 60 million kl. Examples of decisions informed by scenario analysis in the reporting year: 1. In response to worsening water stress, ITC has evolved its approach. Over the years, ITC has created rainwater harvesting potential through extensive investments in its Integrated Watershed Development Projects. The programme promotes the development and management of local water resources in moisture-stressed areas by facilitating community participation in planning and implementing such measures, whilst building, reviving and maintaining water-harvesting structures. Furthermore, in light of the escalating water stress in urban catchments, ITC has also directed its attention towards comprehending the complexities of urban water stress. As a result, measures have been put into action in two of ITC's urban catchments which are Bengaluru and Tiruvottiyur (catchment in Chennai), where Company's Units are situated to address the challenges of urban water context related to flash floods, depleting groundwater tables, and water shortages. During the reporting year, these urban programmes facilitate the revival of urban water bodies, improve natural streams (drainage systems), roof water harvesting, groundwater recharge, including, shallow aquifers, and test models that help in treating the water and recycling it for agricultural use. 2. In response to increasing consumer awareness and demand related to organic products, ITC recently completed the acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

ITC has taken a commitment of reaching 'Net Zero Operations' by 2050. This commitment was broken down into medium term S2.0 Goals/targets. These goals include action on below thematic areas: Energy and Climate Change, Water Stewardship, Plastic Waste and Circular Economy, Sustainable Agriculture, Biodiversity etc. These thematic areas were developed based on the scenario analysis carried out for transition risk, physical risks, water related risks, biodiversity risks arising from impacts/dependencies etc. The board and CMC (the highest management level Committee) holds responsibilities regarding the climate transition plan, at the developing phase and/or at the implementing phase.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

ITC recognises the urgent need to combat climate change for building a more secure future and the role it can play in enabling a net-zero economy. To this end, ITC is pursuing a low carbon growth strategy through extensive decarbonisation programmes across its value chain. These include increasing the share of renewable energy, continuous reduction of specific energy, construction of green buildings, greening logistics and optimising 'distance-to-market', and promoting regenerative agriculture practices in agri value chains. ITC has also set ambitious 2030 climate targets along with larger commitment of reaching 'Net Zero Operations' by 2050. ITC's strategies, and performance against targets are disclosed annually in its Annual Report and Sustainability Report, and are periodically discussed with investors

through quarterly presentations and one-on-one engagements in line with Securities and Exchange Board of India's regulations. There is a Board approved policy on stakeholder engagement, and ITC has evolved a structured framework for engaging with its stakeholders and fostering enduring relationships with each one of them. ITC's engagement approach is anchored on the principles of materiality, completeness and responsiveness and it covers material aspects of climate transition as well. For example: Investors: ITC shares its climate targets, performance and business opportunities with its investors. Select Engagements from 2024-25 - Investor Presentations for Quarterly Results including Climate & ESG performance Earlier Engagements Customers: Conversation with the customers include on reducing their scope 3 GHG emissions that include usage of paper based alternatives to plastics from a wide range of products such as Filo and Omega series, and other innovative solutions offered by ITC.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

ITC's transition plan assumes that actions towards Net Zero is being taken aligned to the emission reduction trajectory. There are several assumptions around it. Some are as below: - Availability of renewable energy at competitive prices - Commercialisation of key technologies required for Net Zero - Market linkages of sustainability practices across value chains including its emission reduction - Development of ecosystem on having real-time emission factors to understand impact of the actions taken in value chains. - Technology transfer from developed countries to India - Availability of climate finance for countries like India

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

ITC regularly reports on the progress on S2.0 Goals. These are disclosed in ITC's Sustainability Report published annually. Refer the following pages: 1. page 56 for the progress of the goals. 2. page 84-95 for Transitioning to a Low Carbon Economy: Decarbonisation Across the Value Chain The report is attached as the file.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

itc-sustainability-report-2025.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Forests

☑ Plastics

☑ Water

☑ Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

ITC has taken a commitment of reaching 'Net Zero Operations' by 2050. This commitment was broken down into medium term S2.0 Goals/targets. These goals include action on below thematic areas: Energy and Climate Change, Water Stewardship, Plastic Waste and Circular Economy, Sustainable Agriculture, Biodiversity etc. These thematic areas were developed based on the scenario analysis carried out for transition risk, physical risks, water related risks, biodiversity risks arising from impacts/dependencies etc. For example, substituting hard-to-recycle plastic packaging with recyclable plastic packaging or paper based packaging reduces emissions thereby aligned to the overall Net Zero transition plan. In the agri value chains, nature based solutions e.g. integrated pest management, nutrient enhancements etc.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Upstream/downstream value chain
☑ Investment in R&D
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

With growing consumer awareness and concern around sustainability issues, ITC is constantly working on innovating and improving the sustainability attributes of its products and services. Time Horizon: Short-Medium Term Example 1: Plastic waste management is a growing global concern. To address this issue, ITC is actively developing suitable paper/paperboards as well as barrier-coated substrates that can replace single use plastics. It offers products like antifungal soap packaging paper designed to replace single use plastics. 'Filo' series is certified as recyclable and 'Omega' series is certified as 'Bio-degradable under compostable environment'. These products, which serve as alternatives to plastic coated containers, cups and other deep freeze applications, registered robust growth during the year and continue to gain popularity with increasing awareness levels amongst customers. ITC also launched Specialty paper for e-commerce/courier envelopes and paper tapes which again aimed at replacing plastics. Example 2:ITC's Savlon powdered handwash has a much lower footprint compared to conventional liquid handwash. This handwash comes in concentrated form and hence requires less packaging. This format also results in lower transportation related emissions as compared to equivalent liquid handwash. As per LCA studies carried out with third party experts, the lifecycle emissions of powdered handwash are only one third of the equivalent liquid handwash, thereby representing a two-thirds reduction in footprint on a lifecycle basis

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

To address climate change impacts in the value chain, following strategies are deployed: - Life Cycle Assessment (LCA) studies for key products. - Engaging with major supply chain partners for monitoring and improving energy performance and including them in sustainability reporting boundary. - Reducing energy consumed in transportation of raw materials, finished goods and waste. ITC has strategically located its Integrated Consumer Goods Manufacturing and Logistics (ICML) facilities for FMCG businesses closer to the market. This allows for making direct shipments to customers, thereby avoiding intermediate movements and optimising distribution logistics. - Regenerative and sustainable agriculture interventions across key crops like leaf tobacco, wheat and pulpwood help straddle the value chains supporting ITC's leading brands. Time Horizon: Short-Medium Term Example 1: Ensuring Zero Deforestation and Climate Friendly Operations in Tobacco Value Chain ITC Agri Business is committed to ensuring 'Zero Deforestation' across the leaf tobacco value chain. ITC has implemented a three-pronged approach to conserving energy and ensuring sustainable fuel management in tobacco curing. This entails the introduction of fuel-efficient technologies, promotion of self-sustenance through energy plantations and use of alternative fuels. • Energy conservation measures (Barn Roof Insulation, turbo ventilators and so on) which can reduce nearly about 27% of energy requirement during curing are being deployed on a large scale, spanning 42,501 barns in Andhra Pradesh and Karnataka. • For a self-sustaining model for fuel sourcing, ITC encouraged planting of trees that cover 257,000 acres as of date. Green cover was also enhanced across rural lands by helping improve natural vegetation. • Encouraging farmers to use alternate fuels for curing like coffee husk, coffee stems, coconut fronds and biomass briquettes. Example 2: Modern Curing Technology In FY 2022-23, the Business has undertaken large scale Pilot deployment of Smart Curing Barns with Indian vendors. Till date, 126 Barns have been deployed and the technology saves around 40% fuel reduction in curing and substantial reduction in labor requirement during tobacco post-harvest management. The technology uses digital sensors and control system along with forced air circulation system.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

ITC leverages its state-of-the-art ITC Life Sciences and Technology Centre (LSTC) in Bengaluru for churning out game-changing, science-led innovative products and other business solutions that address key climate risks and opportunities. The LSTC team comprising over 400 highly qualified scientists have a mandate to work on future ready science platforms. Centres of Excellence in Biosciences, Agrisciences and Materials, and robust research platforms such as Beauty & Hygiene, Heath & Wellness, Agroforestry & Crop Sciences, Sustainable Packaging materials continue to drive world-class innovation. Time Horizon: Medium-Long Term Example 1: Centre of Excellence in Material Sciences and recycling at LSTC coupled with sustainable packaging experts from Paperboards & Specialty Papers Division, Packaging and Printing Division and FMCG businesses, ITC is able to offer unique packaging solutions not only for its products but also offer as solution for others. Some examples of innovation in own Business include: • Reducing plastics: Over the last three years, ITC's FMCG Businesses have avoided nearly 7,200 tonnes of virgin plastic in packaging through various packaging design initiatives including optimisation and incorporation of PCR. For example, innovative packaging of deodorant spray cans reduce packaging by 31%. • Simplifying packaging complexity: Recyclable mono-material packaging used in Fiama handwash refill pouch (750ml). • Switching to paper: f Aashirvaad Chakki Atta (1kg and 5kg SKUs) in a 100% paper outer bag Similar such solutions are available for other customers through ITC's paperboards and packaging businesses. Some examples include: - ITC replaced their traditional packaging involving rigid plastic containers with stand-up pouches featuring an integrated spout. - Reduction in plastic packaging intensity by replacing blister tray & outer plastic pouch with PET laminated carton boxes for a major quick-service restaurant chains. - Biodegradable paperboards, 'OmegaBev' and 'OmegaBarr', which are alternatives to plastic coated containers, cups and other deep freeze applications. - Antiviral paper for applications in pharma and education & stationery businesses. Example 2: In the Agri-sciences domain, LSTC has an ambitious R&D programme to address future demand of food security, improving yields & quality and developing new varieties. Research on wheat and potato varietal securitisation are at advanced stages to achieve flexibility in sourcing of raw material, creation of region-specific blends and to ensure robust agro-climatic adaptability. LSTC, in collaboration with the Agri Business Division endeavours to ensure contemporary science outcomes are fully integrated across the value chain from farm to factory. Scientific platforms in Agroforestry have led to pioneering work on new clones in tandem with Paper Business to enhance wood productivity and pulp quality for sustainable raw materials and farmer profitability.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

ITC is pursuing a low carbon growth strategy through extensive decarbonisation programmes across its operations. These include increasing the share of renewable energy, continuous reduction of specific energy, construction of green buildings, greening logistics and optimising 'distance-to-market', ITC is also working towards climate proofing its operations including factories, and warehouses. ITC has set 2030 climate targets: 50% share of renewable energy, 100% of purchased grid electricity from renewable sources, reducing specific energy consumption by 30% and specific GHG emissions by 50% (2018-19 baseline). Time Horizon: Medium-Long Term Example 1: ITC has taken a target to increase its renewable energy share to 50% by 2030. Towards this, ITC has been gradually increasing the share of renewable energy and in FY 2024-25, it has sustained renewable energy share of over 50%. This has been achieved through its investments in energy efficiency and renewable energy. In FY 2024-25, ITC has invested INR 1584 Lakhs saving about 40 TJ of energy and 5000 tCO2e of GHG emissions. For renewable energy, ITC is investing in renewable power plants – wind and solar, and building renewable biomass-based boilers. With investments over the years, ITC renewable electricity capacity has reached 174 MW securing renewable electricity for ITC Units. Example 2: ITC's Paper Business accounts for over 85% of ITC's total energy consumption. Over the years, the business has implemented several initiatives including investments in a green boiler, soda recovery boilers, high pressure & efficiency circulating fluidised bed boiler, solar & wind energy and increased usage of bio-fuel. With these initiatives, renewable sources presently account for 53% of total energy consumed at the four manufacturing units of the paper business. During the year, specific GHG emissions and specific energy consumption (per unit of production) fell by 27% and 11% (compared to 2018-19). Improvement in RE, specific energy and specific GHG is driven by pioneering initiative of High-Pressure Recovery Boiler at its paper mill in Bhadrachalam. Along with pulp capacity augmentation, this has reduced carbon footprint of operations through lower coal consumption.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Capital expenditures

☑ Capital allocation

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Capital Allocation, Capital Expenditure, Direct and Indirect Cost (Time Horizon: Short-Medium Term) In line with ITC's low carbon transition plan and 2030 climate targets, capital allocation and capital expenditure in renewable energy assets and energy conservation equipment will be undertaken. Given this relevant capital allocation was made towards it. For example, In 2024-25, ITC made capital investment of INR 158.4 million on energy conservation equipment. Recently, ITC's acquisition of Sresta Natural Bioproducts Private Limited ('SNBPL'), an organic packaged food company under the '24 Mantra Organic' brand was approved. SNBPL through its network of appx. 27,500 farmers spread across appx. 140,000 acres of certified organic land in 10 states promotes organic farming which entails positive environmental impacts in terms of climate, water and biodiversity. Assets (Time Horizon: Medium-Long Term) Based on ITC's low carbon transition plan and capital allocation, such low carbon assets are being added every year. For example, Due to investment made over the years, ITC's renewable electricity capacity has now reached 174MW. This not only hedges electricity costs but also ensure continuous supply of renewable energy. Access to Capital (Time Horizon: Medium Term) ITC has been transparently disclosing its climate and environmental performance aligned to global frameworks such as GRI as well as to ESG raters. With these disclosures, ITC has achieved amongst the best ratings in its sector - 'AA' in MSCI-ESG, included in DJSI emerging market index, 'A' and 'A-'' in CDP Water and Climate change. ITC continuously engages with its investors through conferences/ presentations on material ESG issues including climate change and other sustainability topics. Revenues (Time Horizon: Short-Medium) ITC is constantly working on improving the environmental attributes of its products and services as well as introducing new and innovative products aligned to sustainability principles. ITC also acknowledges that climate change may also impact the supply and prices of some of its key agri based raw materials. Example: ITC has been engaging with customers on sustainability aspects relevant for the products. This include offering certified products such as FSC Certified paper, STP certified tobacco etc. ITC has been able to generate revenues of about INR 22.77 billions from customers who seek sustainability information from ITC.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Investment in energy efficiency and renewable energy

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

5280000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

28.7

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

28.7

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

28.7

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

While climate change poses both physical and transition risks, it also presents multiple opportunities in the form of access to new customers and new markets, efficiently meeting compliances ahead of peer companies, improving resilience, and demonstrating sustainability leadership through achievement of decarbonisation targets. In order to realise these opportunities, ITC makes capital investments (CAPEX) on an ongoing basis. The financial metric aligned to the climate transition includes specific Capex (INR 5.28 billion) for 2024-25 covering investments in the areas of renewable energy, green buildings, energy efficient equipment, pollution control equipment, water management and treatment system (including rain water harvesting) etc. ITC's total CAPEX for 2024-25 is INR 18.42 billion. For 2025 and 2030, it is difficult to estimate the share. Therefore, the share for 2024-25 has been provided. The metric reported above also includes capital investment on energy conservation equipment. This is reported annually in ITC's Annual Report. All business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy in line with ITC’s 2030 Goals. These goals include reduction in specific energy by 30% and specific GHG by 50% along with increasing renewable energy share to 50% and sourcing 100% of purchased electricity from renewables. The Company regularly tracks its performance against these key performance indicators. The Company invests in energy conservation and renewable energy projects along with exploring innovative technologies to bring alignment with the goals. These investments are done in phases by taking into account future expansion plans, evolving regulatory frameworks, techno-commercial feasibility and socio-political aspects. Capital investment on energy conservation equipment: INR 158.4 Million Some of the energy conservation measures adopted across the Company are outlined below: I. Retrofitting of boiler to reduce power consumption in fans and fuel handling system in Paper Business. II. Installation of static electricity discharge nets in Air Handling Units (AHUs) to eliminate electrostatic disturbance thereby improving heat transfer efficiency in Foods Business. III. Installation of Automatic Tube Cleaning System (ATCS) to reduce scaling thereby improving chiller efficiency in Packaging and Printing Business. IV. Installation of air preheater and thermic booster systems in Packaging and Printing Business. V. Installation of closed loop condensate recovery system in Foods Business. VI. Installation of thermo-compressor in Agri Business. VII. Installation of Variable Frequency Drives (VFDs) for various pumps, agitators, blowers, and chillers across Businesses. VIII. Replacement of air conditioners, chiller, cooling tower, battery chargers, transformer, UPS, motors, agitator, blower, fans and pumps with higher efficiency ones across Businesses. IX. Improvement in energy usage efficiency in lighting systems by changing over to efficient lighting solutions such as Light Emitting Diodes (LEDs) across Businesses. X. Process improvements to enhance productivity and reduce specific energy consumption across Businesses.
[Add row]

(5.9) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

400

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

-8

(5.9.3) Water-related OPEX (+/- % change)

1

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

3

(5.9.5) Please explain

In 2024-25, Water related CAPEX and OPEX have increased from 2023-24, respectively. This is due to water-use optimisation, water conservation measures undertaken over previous years and realization of Return on Investment (ROI). Opex has increased due to business expansion. Going forward, in 2025-26, we expect reduction in CAPEX due to investment in previous years. Opex will continue to increase due to business expansion, despite significant investments in water conservation measures. The CAPEX and OPEX expenditure for 2024-25 by ITC is over Rs 300 Million and nearly 480 Million respectively. This covers select units of Paper business, Foods and Tobacco (Cigarette) businesses (98% of ITC's water consumption). CAPEX includes investments in rain water harvesting, water saver nozzles, auto controls, ETP Scada, TDS Reduction of RO, plant upgradation, Ultrasonic portable water flowmeter etc. OPEX includes effluent treatment costs, operation & maintenance of ETP, WTP, RO Plant, etc.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

	Use of internal pricing of environmental externalities	Environmental externality priced
		☑ Water

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive low-carbon investment

☑ Identify and seize low-carbon opportunities

☑ Influence strategy and/or financial planning

☑ Set a carbon offset budget

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Cost of required measures to achieve climate-related targets

☑ Price with substantive impact on business decisions

☑ Price/cost of renewable energy procurement

☑ Price/cost of voluntary carbon offset credits

☑ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Operational decisions is aimed at aligning to the ITC's Sustainability 2.0 Goals on reducing emissions intensity, increasing share of renewable energy, and shifting grid equivalent electricity to renewables. The prices will be impacted by the maturity of renewable and carbon markets in India.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

ITC Units have been paying an additional charge to the electricity distribution company for supplying renewable electricity (green tariff). This includes additional fee paid to the electricity distribution company for renewable electricity over and above the price of conventional electricity.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

0

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

900

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Procurement

☑ Risk management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for some decision-making processes, please specify :This pertains to renewable electricity procurement

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

100

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

This pertains to renewable energy procurement via payment of green tariffs to either relevant distribution companies or purchase of renewable energy certificate. This carbon price will also help in making investments decisions.
[Add row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:

☑ Implicit price

(5.10.2.2) Objectives for implementing internal price

Select all that apply

☑ Drive water efficiency
☑ Stress test investments
☑ Conduct cost-benefit analysis
☑ Drive water-related investment
☑ Influence strategy and/or financial planning
☑ Setting and/or achieving of water-related policies and targets
☑ Incentivize consideration of water-related issues in risk assessment

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:

☑ Yes

(5.10.2.4) Factors considered when determining the price

Select all that apply

☑ Cost of required measures to achieve water-related targets
☑ Costs of treating water
☑ Existing water tariffs
☑ Price with substantive impact on business decisions
☑ Scenario analysis

(5.10.2.5) Calculation methodology and assumptions made in determining the price

As a part of Sustainability 2.0 Agenda, ITC has taken a target of 40% in specific water consumption. Action plan has been prepared including the projects required for reducing water requirements. Special attention is given to the projects located in high-water stress regions with ITC has taken a target to certify all sites located in water stressed with international water stewardship standard by 2035. Water stewardship not only focusses on action within the operating unit but also in the catchment to reduce demand and augment supply. Investment decisions in such water conservation measures takes into account the water savings basis the commercial price of water that is applicable at the site. The same is used to create the business case for such investments. The analysis accounts for project wise investment under revenue (OPEX)and capital expenditure (CAPEX) model, potential annual water saving and its equivalent monetary savings over lifespan of the project. For understanding the true cost of water, relevant water related expenses are closely monitored and tracked. These include: water procurement/withdrawal

cost, waste water treatment cost and applicable water cess. In addition to above cost of water, additional risk of lower water availability in the catchment is also accounted for the units located in water stress sites. This drives the investment in water stewardship activities in the catchment.

(5.10.2.6) Stages of the value chain covered

Select all that apply

☑ Direct operations

☑ Project/site specific coverage

(5.10.2.7) Pricing approach used – spatial variance

Select from:

☑ Differentiated

(5.10.2.8) Indicate how and why the price is differentiated

As a part of Sustainability 2.0 Agenda, ITC has taken a target of 40% in specific water consumption. Action plan has been prepared including the projects required for reducing water requirements. Special attention is given to the projects located in high-water stress regions with ITC has taken a target to certify all sites located in water stressed with international water stewardship standard by 2035. Water stewardship not only focusses on action within the operating unit but also in the catchment to reduce demand and augment supply. Investment decisions in such water conservation measures takes into account the water savings basis the commercial price of water that is applicable at the site. The same is used to create the business case for such investments. The analysis accounts for project wise investment under revenue (OPEX)and capital expenditure (CAPEX) model, potential annual water saving and its equivalent monetary savings over lifespan of the project. For understanding the true cost of water, relevant water related expenses are closely monitored and tracked. These include: water procurement/withdrawal cost, waste water treatment cost and applicable water cess. In addition to above cost of water, additional risk of lower water availability in the catchment is also accounted for the units located in water stress sites. This drives the investment in water stewardship activities in the catchment.

(5.10.2.9) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.2.10) Indicate how you expect the price to change over time

Climate change and rapid urbanization will negatively impact water supply and this risks may increase over time.

(5.10.2.11) Minimum actual price used (currency per cubic meter)

12.5

(5.10.2.12) Maximum actual price used (currency per cubic meter)

150

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

☑ Dependencies management

☑ Impact management

☑ Risk management

(5.10.2.14) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.2.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Minimum and maximum price is the range of the actual cost incurred for water across ITC sites. ITC regularly report on its S2.0 targets including on water. Investments in water conservation measures reduces specific water consumption and therefore, is reflected in the performance data given for all divisions. Water stewardship standard requires action to be taken in the catchment. Audit against water stewardship standard including the certification helps in monitoring the improvements. ITC also has an additional programme on evaluating impacts separately.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests ☑ Water ☑ Plastics
Smallholders	*Select from:* ☑ Yes	*Select all that apply*
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests ☑ Water ☑ Plastics
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests ☑ Water ☑ Plastics
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests ☑ Water ☑ Plastics

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Dependence on commodities

☑ Impact on pollution levels

☑ Impact on water availability

☑ Impact on plastic waste and pollution

☑ Contribution to supplier-related Scope 3 emissions

☑ Dependence on ecosystem services/environmental assets

☑ Impact on deforestation or conversion of other natural ecosystems

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The supply chains of ITC's businesses are vertically integrated. Farmers constitute a vital part of ITC's supply chain. Accordingly, the Company focuses extensively on enhancing the sustainability of its agri-based supply chain. Agriculture is significantly impacted by climate change and availability of water. Resilient agriculture is crucial. Therefore, all suppliers of leaf tobacco and pulpwood/timber have been considered here as meeting the threshold.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

259

Forests

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Basin/landscape condition

☑ Dependence on commodities

☑ Impact on pollution levels

☑ Impact on water availability

☑ Impact on plastic waste and pollution

☑ Contribution to supplier-related Scope 3 emissions

☑ Dependence on ecosystem services/environmental assets

☑ Impact on deforestation or conversion of other natural ecosystems

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

In line with the High Level Sectoral Dependency-Impact Map developed for ITC businesses based on ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure) Tool, Agri and paperboard sector have substantive dependency (like direct physical inputs, ecosystem services) and impact (like resource utilisation, emissions) on the environment. Therefore, all suppliers of timber (commodity being disclosed for CDP Forest) have been considered here as meeting the threshold.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

258

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Basin/landscape condition

☑ Dependence on commodities

☑ Impact on pollution levels

☑ Impact on water availability

☑ Impact on plastic waste and pollution

☑ Dependence on ecosystem services/environmental assets

☑ Impact on deforestation or conversion of other natural ecosystems

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The supply chains of ITC's businesses are vertically integrated. Farmers constitute a vital part of ITC's supply chain. Accordingly, the Company focuses extensively on enhancing the sustainability of its agri-based supply chain. Agriculture is significantly impacted by climate change and availability of water. Resilient agriculture is crucial. Therefore, all suppliers of leaf tobacco and pulpwood have been considered here as meeting the threshold.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

259

Plastics

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

☑ Dependence on commodities

☑ Impact on plastic waste and pollution

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

In India, all suppliers of plastic packaging are covered under EPR rules and are subject the various regulations like registration, filing returns, marking and labelling requirements. Therefore, ITC has mapped all (100%) the vendors used for collecting and sending the plastic waste for recycling/co-processing. ITC ensures that such collection is backed up with relevant EPR credits on the portal following plastic waste regulations. All these have been considered as meeting the threshold.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

340
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Material sourcing

☑ Procurement spend

☑ Regulatory compliance

☑ Business risk mitigation

☑ Leverage over suppliers

☑ Strategic status of suppliers

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

ITC has been working with farmers on both pulpwood and tobacco value chain to improve climate resilience and reduce emission. Tobacco: R&D efforts on tobacco mainly concentrate on development of region-specific superior varieties and good agricultural practices to sustain the quality raw material availability and farmer profitability across tobacco growing geographies. To minimize the water used in growing tobacco crop in limited water conditions and with residual moisture, cultivation of genetically inherent water-use efficient (WUE) or drought tolerant varieties is necessary for sustainable production. LSTC is developing water use efficient varieties for rainfed zones and hybrids with 15-20% enhancement in yield for irrigated regions. Pulpwood: Agroforestry, one of LSTC's key expertise, involves working on productivity improvement of trees by using contemporary research tools for Eucalyptus, Casuarina, Corymbia, and Subabul species. LSTC has established different cutting-edge tools and platforms for improving tree and crop species of interest to ITC for desired traits like yield, quality, abiotic and biotic stress for securing the raw material to various Businesses of ITC given the rising challenges of climate change and depleting resources. Ongoing research has major emphasis on developing climate resilient crops and pulp wood species. E.g. in the past 5 years more than 1 crore saplings of new hybrids with >20% higher wood yields have been deployed in farmer fields.

Forests

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Material sourcing

☑ Procurement spend

☑ Regulatory compliance

☑ Reputation management

☑ Business risk mitigation

☑ Leverage over suppliers

☑ Vulnerability of suppliers

☑ Strategic status of suppliers

☑ Supplier performance improvement

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to forests

(5.11.2.4) Please explain

Besides engaging with farmers across key agri value chains, for focussed engagement with key suppliers, ITC has created a framework for identifying its Critical Tier-1 suppliers based on multiple criteria like the value of the business with these suppliers, business relevance, ESG risk exposure of the sector/ country/ region/ commodity type (as applicable), and substitutability of the supplier, among others. ITC's Supplier Sustainability Assessment Framework is based on four pillars: Environment (including climate and water); Health & Safety; Labour practices & Human Rights; and Governance & Fair Business. Each pillar is composed of essential and advanced indicators. Essential indicators reflect the latest compliance requirements, ITC's Codes / Policies, and other established norms in the industry. On the other hand, advanced indicators are based on best practices and requirements emanating from global sustainability standards and frameworks such as ISO Standards, GRI Standards, amongst others. Adherence to advanced indicators signifies a higher level of supplier maturity in terms of sustainability. For Critical Tier-1 suppliers, the above framework is applied for conducting structured ESG assessments by a third party.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Material sourcing

☑ Procurement spend

☑ Product lifecycle

☑ Regulatory compliance

☑ Reputation management

☑ Supplier performance improvement

☑ Business risk mitigation

☑ Leverage over suppliers

☑ Vulnerability of suppliers

☑ Strategic status of suppliers

☑ Product safety and compliance

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

(5.11.2.4) Please explain

ITC has been working with farmers on both pulpwood and tobacco value chain to improve climate resilience and reduce emission. Tobacco: R&D efforts on tobacco mainly concentrate on development of region-specific superior varieties and good agricultural practices to sustain the quality raw material availability and farmer profitability across tobacco growing geographies. To minimize the water used in growing tobacco crop in limited water conditions and with residual moisture, cultivation of genetically inherent water-use efficient (WUE) or drought tolerant varieties is necessary for sustainable production. LSTC is developing water use efficient varieties for rainfed zones and hybrids with 15-20% enhancement in yield for irrigated regions. Pulpwood: Agroforestry, one of LSTC's key expertise, involves working on productivity improvement of trees by using contemporary research tools for Eucalyptus, Casuarina, Corymbia, and Subabul species. LSTC has established different cutting-edge tools and platforms for improving tree and crop species of interest to ITC for desired traits like yield, quality, abiotic and biotic stress for securing the raw material to various Businesses of ITC given the rising challenges of climate change and depleting resources. Ongoing research has major emphasis on developing climate resilient crops and pulp wood species. E.g. in the past 5 years more than 1 crore saplings of new hybrids with >20% higher wood yields have been deployed in farmer fields.

Plastics

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Material sourcing

☑ Regulatory compliance

☑ Business risk mitigation

☑ Vulnerability of suppliers

☑ Strategic status of suppliers

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to plastics

(5.11.2.4) Please explain

In India, all suppliers of plastic packaging are covered under EPR rules and are subject the various regulations like registration, filing returns, marking and labelling requirements. Therefore, ITC has mapped all (100%) the vendors used for collecting and sending the plastic waste for recycling/co-processing. ITC ensures that such collection is backed up with relevant EPR credits on the portal following plastic waste regulations. All these have been considered as meeting the threshold. ITC has

mapped the vendors used for collecting and sending the plastic waste for recycling/co-processing. ITC ensures that such collection is backed up with relevant EPR credits on the portal following plastic waste regulations. All suppliers are regularly assessed for compliance related matters like registration status and timely submission of data to the regulatory authorities.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

ITC code of conduct for suppliers and service providers requires all suppliers to comply to all environmental regulations. In addition, they are encouraged to adopt environment friendly technologies. ITC expects code of conduct to be adhered by all suppliers. In addition, ITC conducts assessment of key supply chain partners on multiple environmental aspects including on climate change. ITC's code of conduct for suppliers and service providers is available at https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx In addition, For making agriculture sustainable and future-ready, ITC adopts a variety of practices with the aim of making agriculture regenerative, productive, sustainable, remunerative, and climate-resilient. These practices promote optimal use of resources resulting in reduced costs and improved yields, and thereby enhancing incomes of farmers, whilst also building resilience to climate change. With reduced requirement of external inputs, 'regenerative agriculture' empowers farmers and local communities. Among other benefits, regenerative agriculture also helps in decarbonisation of agriculture by rebuilding soil organic matter and restoring degraded soil biodiversity – resulting in both carbon sequestration and improving the water cycle.

Forests

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

ITC code of conduct for suppliers and service providers requires all suppliers to comply to all environmental regulations. In addition, they are encouraged to adopt environment friendly technologies. ITC expects code of conduct to be adhered by all suppliers. In addition, ITC conducts assessment of key supply chain partners on multiple environmental aspects including on climate change. ITC's code of conduct for suppliers and service providers is available at https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

ITC code of conduct for suppliers and service providers requires all suppliers to comply to all environmental regulations. In addition, they are encouraged to adopt environment friendly technologies. ITC expects code of conduct to be adhered by all suppliers. In addition, ITC conducts assessment of key supply chain partners on

multiple environmental aspects including on climate change. ITC's code of conduct for suppliers and service providers is available at https://www.itcportal.com/about-itc/policies/sustainability-policy.aspx In addition, For making agriculture sustainable and future-ready, ITC adopts a variety of practices with the aim of making agriculture regenerative, productive, sustainable, remunerative, and climate-resilient. These practices promote optimal use of resources resulting in reduced costs and improved yields, and thereby enhancing incomes of farmers, whilst also building resilience to climate change. With reduced requirement of external inputs, 'regenerative agriculture' empowers farmers and local communities. Among other benefits, regenerative agriculture also helps in decarbonisation of agriculture by rebuilding soil organic matter and restoring degraded soil biodiversity – resulting in both carbon sequestration and improving the water cycle.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Setting a science-based emissions reduction target

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification

☑ On-site third-party audit

☑ Second-party verification

☑ Off-site third-party audit

☑ Community-based monitoring

☑ Supplier scorecard or rating

☑ Ground-based monitoring system

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.12) Comment

For climate change, pulpwood/timber and leaf tobacco farmers have been considered based on materiality of impact. ITC engages directly with the farmers in the value chain. For timber value chain, there is 100% DF/DCF status maintained in line with science based emission target recommendations for land-use related aspects. Similarly for leaf tobacco value chain, roadmap in line with science based target for FLAG emissions is being implemented. Board-approved policies on Biodiversity Conservation and Zero Deforestation. Align to this policy, ITC tracks the wood value chain for its Paperboards and Specialty Papers Business. Business has established systems for traceability of wood sourced.100% of the fibre used by ITC's PSPD is of known and legal origin. All four manufacturing Units of the PSPD have obtained the FSC® Chain of Custody certification and have complied with all the requirements during the year, thereby sustaining ITCs position as the leading supplier of FSC®– certified paper and paperboards in India. The Company will continue to collaborate with its extended ecosystem including agriculture for facilitating decarbonisation of emissions across the value chain (Scope 3 emissions) as well as setting up systems for monitoring Scope 3 emissions in line with emerging standards. In addition, ITC uses data from wood value chain as a part of its Scope 3 emissions inventory. In coming years, ITC will extend Scope 3 monitoring in other agri value chains as well.

Forests

(5.11.6.1) Environmental requirement

Select from:

☑ No deforestation or conversion of other natural ecosystems

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- ☑ Certification
- ☑ On-site third-party audit
- ☑ Second-party verification
- ☑ Geospatial monitoring tool
- ☑ Off-site third-party audit
- ☑ Community-based monitoring
- ☑ Supplier scorecard or rating
- ☑ Ground-based monitoring system

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.12) Comment

For forests, timber farmers have been considered in the value chain of both pulpwood and lead tobacco. ITC engages directly with the farmers in the value chain. For timber value chain, there is 100% DF/DCF status maintained in line with science based emission target recommendations for land-use related aspects. Board-approved policies on Biodiversity Conservation and Zero Deforestation. Align to this policy, ITC tracks the wood value chain for its Paperboards and Specialty Papers Business. Business has established systems for traceability of wood sourced. Based on this, 100% of the fibre used by ITC's PSPD is of known and legal origin. All four manufacturing Units of the PSPD have obtained the FSC® Chain of Custody certification and have complied with all the requirements during the year, thereby sustaining ITCs position as the leading supplier of FSC®– certified paper and paperboards in India. ITC's Paperboards and Specialty Papers Business is also committed to Forest Stewardship Council® (FSC®) principles. Till date, ITC has received Forest Stewardship Council® - Forest Management (FSC®-FM) certification for over 165,000 acres of plantations involving over 26,337 farmers, as per which all rare, threatened and endangered species are conserved in the areas considered under the scope of certification.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification

☑ On-site third-party audit

☑ Second-party verification

☑ Community-based monitoring

☑ Supplier scorecard or rating

☑ Ground-based monitoring system

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.12) Comment

For water, pulpwood/timber and leaf tobacco farmers have been considered based on materiality of impact. ITC engages directly with these farmers based on water risk in the agri catchments on both supply side and demand side initiatives (reducing water use). Growing regions subject to water risk are covered. ITC has embarked on a mission to create positive water footprint across its key agri value chains including Tobacco, and Pulpwood, which together account for majority of ITC's total embedded water consumption from agri-based raw materials. For example, In the Northern Light Soils (NLS) region of Andhra Pradesh, over 35,200 acres of crop have been brought under drip irrigation systems. Water-soluble fertilisers are being applied as foliar sprays using drones. This initiative currently covers 230,000 acres of crop area. ITC's Supplier Sustainability Assessment Framework is based on four pillars: Environment; Health & Safety; Labour practices & Human Rights; and Governance & Fair Business. Each pillar is composed of essential and advanced indicators. Essential indicators reflect the latest compliance requirements, ITC's Codes / Policies, and other established norms in the industry. On the other hand, advanced indicators are based on best practices and requirements emanating from global sustainability standards and frameworks such as ISO Standards, GRI Standards, amongst others.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Provide training, support and best practices on how to set science-based targets

☑ Support suppliers to develop public time-bound action plans with clear milestones

☑ Support suppliers to set their own environmental commitments across their operations

Information collection

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)

☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

☑ Encourage collaborative work in landscapes or jurisdictions

☑ Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 100%

(5.11.7.8) Number of tier 2+ suppliers engaged

104199

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

ITC's Agri Business (Tobacco) has engaged with farmers on weather resilient tobacco production (WLTP) programme that include initiatives like weather forecasting and crop advisory which are tailored for each region, channelizing seedlings and supply of inputs etc. to minimise the impact of varying rainfall etc. to farmers. In addition, ITC has climate smart agri practices programme covering around 1.05 million farmers. 100% farmers are covered in WLTP.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :emission reduction, water savings

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Forests

(5.11.7.1) Commodity

Select from:

☑ Timber products

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ No deforestation and/or conversion of other natural ecosystems

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Support suppliers to develop public time-bound action plans with clear milestones

☑ Support suppliers to set their own environmental commitments across their operations

Financial incentives

☑ Pay higher prices linked to best agricultural practices

☑ Provide financial incentives for certified products

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

☑ Incentivize collaborative sustainable water management in river basins

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ 100%

(5.11.7.8) Number of tier 2+ suppliers engaged

60000

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

ITC is engaging with its farmers through Social and Farm Forestry Programme. In FY 2024-25, ITC has engaged with around 60,000 farmers through farm forestry for pulpwood and social forestry for both pulpwood and curing wood.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :FSC certified Pulpwood supply and sourcing deforestation free curing wood

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Support suppliers to develop public time-bound action plans with clear milestones

☑ Support suppliers to set their own environmental commitments across their operations

Information collection
☑ Collect environmental risk and opportunity information at least annually from suppliers
☑ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)
☑ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

Innovation and collaboration
☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply
☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:
☑ 100%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:
☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In FY 2014-15, ITC had initiated the process of accounting for water withdrawal of supply chain members. In line with ITC's Policy on Sustainable Supply Chain and Responsible Sourcing, the Company continues its efforts to enable sustainability practices along the value chain. In FY 2024-25, total water withdrawal by supply chain members was ~207,000 kl ITC intends to progressively include more supply chain members in the reporting boundary. Capacity building and regular review of performance will continue with key supply chain partners in coming years.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :emission reduction, water savings

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Plastics

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Waste and resource reduction and improved end-of-life management

(5.11.7.3) Type and details of engagement

Capacity building

☑ Support suppliers to develop public time-bound action plans with clear milestones

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In India, all suppliers of plastic packaging are covered under EPR rules and are subject the various regulations like registration, filing returns, marking and labelling requirements. Therefore, ITC has mapped all (100%) the vendors used for collecting and sending the plastic waste for recycling/co-processing. ITC ensures that such collection is backed up with relevant EPR credits on the portal following plastic waste regulations. All these have been considered as meeting the threshold. ITC has mapped the vendors used for collecting and sending the plastic waste for recycling/co-processing. ITC ensures that such collection is backed up with relevant EPR credits on the portal following plastic waste regulations. ITC engages with these vendors for sourcing data, information for plastic waste management compliance as well as for training and capacity building.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Develop or distribute resources on how to map upstream value chain

☑ Provide training, support and best practices on how to make credible renewable energy usage claims

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection

☑ Collect GHG emissions data at least annually from suppliers

Innovation and collaboration

☑ Collaborate with suppliers on innovative business models and corporate renewable energy sourcing mechanisms

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

ITC's Agri Business (Tobacco) has engaged with farmers on climate smart agri practices that include initiatives like crop advisory, drip irrigation, fertigation, integrated crop engagement which are tailored for each region, channelizing seedlings and supply of inputs etc. to help reduce greenhouse gas emissions in agriculture for farmers. ITC has climate smart agri practices programme covering around 1.05 million farmers.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :emission reduction, water savings

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:
☑ Yes
[Add row]

(5.11.8) Provide details of any environmental smallholder engagement activity

Row 1

(5.11.8.1) Commodity

Select from:
☑ Timber products

(5.11.8.2) Type and details of smallholder engagement approach

Capacity building
☑ Organize capacity building events
☑ Offer on-site technical assistance and extension services
☑ Support smallholders to adhere to standards in upstream value chain
☑ Support smallholders to adhere to regenerative agriculture principles
☑ Support smallholders to adopt best practices which protect biodiversity
☑ Provide training, support and best practices on sustainable agriculture practices and nutrient management
☑ Prioritize support for smallholders in regions at high-risk of deforestation and conversion of other natural ecosystems

Financial incentives
☑ Provide financial incentives for certified products

(5.11.8.3) Number of smallholders engaged

190000

(5.11.8.4) Effect of engagement and measures of success

Social Forestry: Pulp, Energy and Agarbatti Bamboo wood plantations are promoted at scale to help farmers realise the market opportunities available in their catchments and to meet their own wood requirements. Considering the interests of small farmers, plantations are done through agro-forestry and bund plantation models, both of which enable cultivation of trees and crops together, thus ensuring incomes, and also contributing to food & wood security for the nation. The Social Forestry programme has greened over 37,300 acres, benefitting over 10,500 households during the year, thus, cumulatively covering over 5.28 lakh acres impacting 1.90 lakh households, most of whom are small and tribal community farmers. ITC's Farm and Social forestry programmes have together covered over 13.10 lakh acres till date. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), wherein during the year, 890 farmers got about ₹ 42 lakhs as FSC® premium in addition to regular wood income.
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:
☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing
☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks
☑ Share information about your products and relevant certification schemes
☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration
☑ Align your organization's goals to support customers' targets and ambitions
☑ Collaborate with stakeholders in creation and review of your climate transition plan
☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services
☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

ITC's Agri Business supplies leaf tobacco to global tobacco companies and accordingly, ITC engages with its customers on key sustainability issues like climate change driven by their sustainable supply chain compliances, and requirements in line with their sourcing policies. ITC's leaf tobacco business contributed to around 30% of ITC's Agri Business' revenues. ITC engages with all of its of its key customers (i.e.100% coverage) on sustainability - BAT and Philip Morris etc. The Sustainable Tobacco Programme (STP) was developed by the global tobacco industry in 2015 to set standards in agricultural practices, environmental management and key social and human rights areas for leaf tobacco suppliers (including ITC). The programme includes standards and criteria on a range of focus areas, structured under the key themes of water, human and labor rights, farmer livelihoods, climate change, natural habitats, soil health, crop and governance. STP is governed by a Steering Committee, formed by industry members including ITC's customers like BAT, who as part of their policy have to commitments to ensure that that all their leaf tobacco suppliers participate in STP. ITC supports its customers in meeting this commitment. As part of the programme, ITC completes a comprehensive annual self-assessment against the STP themes, as well as undertakes risk assessments. ITC's farm-monitoring procedures are leveraged for submitting information for the farm-level criteria as required by ITC's customers. The results of such self-assessments and onsite reviews form the foundation for a dialogue between ITC and its customers. The STP programme is aligned to UN SDGs with a stronger focus on impact, risk and continual improvement.

(5.11.9.6) Effect of engagement and measures of success

1. STP Compliance: ITC successfully deployed the required systems, process and monitoring tool in fulfilling the tobacco customers' requirement in the farm supply chain. 2. Human Right (HR) Impact Assessment: In 2021-22, ITC coordinated a HR impact assessment with an independent party, covering the entire leaf tobacco farm supply chain covering farmers from Andhra Pradesh and Karnataka region. The HR Due Diligence process was aligned to UN Guiding Principles of Business and Human Rights, and focused on identifying human rights risks and impacts covering farmers, labourers and communities. Several measures were implemented such as training and awareness on HR is carried out in 184 villages, released HR manual with easily understandable dos and don'ts for employees and farmers etc. 3. ITC is supporting its customers in managing long term climate change risk for tobacco growing. ITC has carried out climate risk assessment study for tobacco growing regions and implemented weather resilient tobacco programme to manage these risks. This include providing weather forecasting and corresponding recommendation of practices, early warning system for extreme events, calibrated surplus of seed/seedling etc. Measures of success: - % of STP certified leaf tobacco supplied to customers: Meeting 100% customer needs on STP certification. - % suppliers with climate resilient practices: 100% farmers covered under weather resilient tobacco production system.

Forests

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Align your organization's goals to support customers' targets and ambitions

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Agri Leaf Business partnered with several customers to address key sustainability focus areas in tobacco growing regions. This included the Sustainable Tobacco Programme (STP 2.0) with annual reporting for & assessments by global major tobacco companies. Apart from group reporting, participation in 'Thrive' reporting with British American Tobacco (BAT), Reporting in 'Omina' for Phillip Morris and using the 'PLM – Leaf Care Tool' for Imperial Brands. The business also underwent Social Risk Monitoring Protocol (SRMP) and Monitoring Verification & Reporting (MVR) frameworks implementation assessment by third party on behalf of a premium customer.

(5.11.9.6) Effect of engagement and measures of success

1. STP Compliance: ITC successfully deployed the required systems, process and monitoring tool in fulfilling the tobacco customers' requirement in the farm supply chain. 2. Human Right (HR) Impact Assessment: In 2021-22, ITC coordinated a HR impact assessment with an independent party, covering the entire leaf tobacco farm supply chain covering farmers from Andhra Pradesh and Karnataka region. The HR Due Diligence process was aligned to UN Guiding Principles of Business

and Human Rights, and focused on identifying human rights risks and impacts covering farmers, labourers and communities. Several measures were implemented such as training and awareness on HR is carried out in 184 villages, released HR manual with easily understandable dos and don'ts for employees and farmers etc. 3. ITC is supporting its customers in managing long term climate change risk for tobacco growing. ITC has carried out climate risk assessment study for tobacco growing regions and implemented weather resilient tobacco programme to manage these risks. This include providing weather forecasting and corresponding recommendation of practices, early warning system for extreme events, calibrated surplus of seed/seedling etc. Measures of success: - % of STP certified leaf tobacco supplied to customers: Meeting 100% customer needs on STP certification. - % suppliers with climate resilient practices: 100% farmers covered under weather resilient tobacco production system.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Align your organization’s goals to support customers’ targets and ambitions

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

ITC's Agri Business supplies leaf tobacco to global tobacco companies and accordingly, ITC engages with its customers on key sustainability issues like climate change driven by their sustainable supply chain compliances, and requirements in line with their sourcing policies. In 2023-24, ITC's leaf tobacco business contributed to around 31% of ITC's Agri Business' revenues. ITC engages with all of its of its key customers (i.e.100% coverage) on sustainability - BAT and Philip Morris etc. The Sustainable Tobacco Programme (STP) was developed by the global tobacco industry in 2015 to set standards in agricultural practices, environmental management and key social and human rights areas for leaf tobacco suppliers (including ITC). The programme includes standards and criteria on a range of focus areas, structured under the key themes of water, human and labor rights, farmer livelihoods, climate change, natural habitats, soil health, crop and governance. STP is governed by a Steering Committee, formed by industry members including ITC's customers like BAT, who as part of their policy have to commitments to ensure that that all their leaf tobacco suppliers participate in STP. ITC supports its customers in meeting this commitment. As part of the programme, ITC completes a comprehensive annual self-assessment against the STP themes, as well as undertakes risk assessments. ITC's farm-monitoring procedures are leveraged for submitting information for the farm-level criteria as required by ITC's customers. The results of such self-assessments and onsite reviews form the foundation for a dialogue between ITC and its customers. The STP programme is aligned to UN SDGs with a stronger focus on impact, risk and continual improvement.

(5.11.9.6) Effect of engagement and measures of success

1. STP Compliance: ITC successfully deployed the required systems, process and monitoring tool in fulfilling the tobacco customers' requirement in the farm supply chain. 2. More than 23,000 acres of land in West Godavari region of Andhra Pradesh is covered with drip irrigation technique which avoids loss of fertile top soil through run off and enables increased water use efficiency. 3. Soil and moisture conservation work is done in tobacco-growing tracks in Andhra Pradesh and Karnataka to provide irrigation support to nurseries and standing crops Contemporary seedling production techniques (Tray seedling) cover 95% of the area in Karnataka Light Soil and 85% of the area in Northern Light Soil regions of flue-cured tobacco-grown areas, resulting in a uniform crop and improved productivity. Measures of success: - % of STP certified leaf tobacco supplied to customers: Meeting 100% customer needs on STP certification. - STP compliance & achieving globally benchmarked performance: This further ensures customer satisfaction, and continuity of relationship with customers. - % suppliers with climate resilient (which includes water efficient) practices: 100% farmers covered under weather resilient tobacco production system.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Incentivize collaborative sustainable water management in river basins

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

The Company engages extensively with the investor ecosystem i.e., analysts representing institutional equity investors, fund/portfolio managers in top FIIs, Domestic Mutual Funds (MFs), Foreign Portfolio Investors (FPIs), Private Insurance Companies etc. The Company sustained the intensity of interaction with analysts/fund managers of FPIs, domestic MFs, Insurance cos. etc. during the year leveraging both physical and virtual meeting platforms. The Company also engaged with investors with specific focus on Environment, Social and Governance (ESG) and investor presentations on other major events such as acquisitions by the Company were made available in the public domain, through the websites of the Company and the Stock Exchanges.

(5.11.9.6) Effect of engagement and measures of success

The Company continues to communicate quarterly performance takeaways through press releases and detailed Investor presentations along with providing clarifications to analysts and others on such financial results. Key highlights of quarterly performance including ESG performance are also being shared with the shareholders by e-mail. The 'Investor Relations' section of the Company's website is also being updated on an ongoing basis. Measures of success: 1. The Company is well recognised for its ESG credentials, and is acknowledged as one of the pioneers of adopting the Triple Bottom Line philosophy in India. 2. ITC has been included in the Dow Jones Sustainability Emerging Markets Index for the fifth year in a row and have retained 'AA' rating by MSCI-ESG for 7 years now. The Company also features in the 'Leadership' level in the CDP Climate and CDP Water ratings. 3. ITC been able to meet many of our Sustainability 2.0 targets for 2030 well ahead of time and are now recalibrating them upwards.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders in creation and review of your climate transition plan

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

The Company engages extensively with the investor ecosystem i.e., analysts representing institutional equity investors, fund/portfolio managers in top FIIs, Domestic Mutual Funds (MFs), Foreign Portfolio Investors (FPIs), Private Insurance Companies etc. The Company sustained the intensity of interaction with analysts/fund managers of FPIs, domestic MFs, Insurance cos. etc. during the year leveraging both physical and virtual meeting platforms. The Company also engaged with investors with specific focus on Environment, Social and Governance (ESG) and investor presentations on other major events such as acquisitions by the Company were made available in the public domain, through the websites of the Company and the Stock Exchanges.

(5.11.9.6) Effect of engagement and measures of success

The Company continues to communicate quarterly performance takeaways through press releases and detailed Investor presentations along with providing clarifications to analysts and others on such financial results. Key highlights of quarterly performance including ESG performance are also being shared with the shareholders by e-mail. The 'Investor Relations' section of the Company's website is also being updated on an ongoing basis. Measures of success: 1. The Company

is well recognised for its ESG credentials, and is acknowledged as one of the pioneers of adopting the Triple Bottom Line philosophy in India. 2. ITC has been included in the Dow Jones Sustainability Emerging Markets Index for the fifth year in a row and have retained 'AA' rating by MSCI-ESG for 7 years now. The Company also features in the 'Leadership' level in the CDP Climate and CDP Water ratings. 3. ITC been able to meet many of our Sustainability 2.0 targets for 2030 well ahead of time and are now recalibrating them upwards.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Community:

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Encourage collaborative work in multi-stakeholder landscape towards initiatives for sustainable land-use goals

☑ Incentivize collaborative sustainable water management in river basins

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Social Investments team of ITC Limited conducts a comprehensive Core Area Perspective Plan (CAPP) in ITC's catchments every 5 years to understand the need of the communities and design the interventions basis that. Participatory Rural Appraisal, Focused Group Discussions (separately with men, women and vulnerable groups), key informant interviews and household surveys are done to ascertain the needs of the community and prioritise the intervention areas under CAPP. CAPP

1.0 was developed and first done in 2015-16 and subsequently, CAPP 2.0 in 2021-22 which was across 21 factories and 7 agri locations. In addition to CAPP every five years, sample household surveys are conducted annually to re-assess and reaffirm the continued relevance of the needs identified and also cognise for any operational changes that may be needed in the future plans.

(5.11.9.6) Effect of engagement and measures of success

Measures of Success: 1. In FY 2024-25, over 3,000 households were surveyed. The survey was done engaging a mixed method approach to collect both quantitative and qualitative data through structured questionnaires administered to households. Qualitative data was gathered through Participatory Rural Appraisals (PRA), Focused Group Discussions (FGDs) with Gram Panchayat members, and community members with representation also of marginalised groups and women members. 2. ITC had a partnership with Water Resource Department (WRD), Government of Maharashtra to implement water use efficiency and productivity improvement through capacity building of Water User Associations (WUA) across 5 Districts in Maharashtra. Based on the success of the partnership, Water Resource Department showed keen interest for amplification of partnership to cover other Irrigation Projects of Maharashtra, which also aligned with ITC's amplification strategy. Subsequently, ITC and WRD signed the second phase of the partnership for strengthening Water User Associations across 20 Districts of Maharashtra encompassing Godavari, Krishna and Tapi river basins. For designing the second phase of the partnership, wider consultations with WUAs, District level officials as well as WRD officials were conducted and feedbacks incorporated in the design. For example, WRD field teams suggested building Department staff's capability in training the Water User Groups and Water User Associations on water use efficiency.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Communities

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Social Investments team of ITC Limited conducts a comprehensive Core Area Perspective Plan (CAPP) in ITC's catchments every 5 years to understand the need of the communities and design the interventions basis that. Participatory Rural Appraisal, Focused Group Discussions (separately with men, women and vulnerable groups), key informant interviews and household surveys are done to ascertain the needs of the community and prioritise the intervention areas under CAPP. CAPP 1.0 was developed and first done in 2015-16 and subsequently, CAPP 2.0 in 2021-22 which was across 21 factories and 7 agri locations. In addition to CAPP every five years, sample household surveys are conducted annually to re-assess and reaffirm the continued relevance of the needs identified and also cognise for any operational changes that may be needed in the future plans.

(5.11.9.6) Effect of engagement and measures of success

Measures of Success: 1. In FY 2024-25, over 3,000 households were surveyed. The survey was done engaging a mixed method approach to collect both quantitative and qualitative data through structured questionnaires administered to households. Qualitative data was gathered through Participatory Rural Appraisals (PRA), Focused Group Discussions (FGDs) with Gram Panchayat members, and community members with representation also of marginalised groups and women members. 2. Promote climate smart agriculture, and development of heat/drought tolerant and high yielding varieties to improve productivity by adopting micro regionspecific agronomic practices: - Developing region-specific package of practices and promoting climate smart farming techniques to mitigate impact of weather; - Enhancing climate resilience of farmers through capacity building programmes by leveraging ITCMAARS and the Farmers' Producer Organisation (FPO) ecosystem, supported by field demonstrations under Choupal Pradarshan Khets; - Comprehensive programmes on social forestry, soil and moisture conservation and biodiversity conservation; - Adoption of water stewardship approach to achieve water security for all stakeholders within the defined catchment areas of units located in high water stress areas.

Forests

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

The Company engages extensively with the investor ecosystem i.e., analysts representing institutional equity investors, fund/portfolio managers in top FIIs, Domestic Mutual Funds (MFs), Foreign Portfolio Investors (FPIs), Private Insurance Companies etc. The Company sustained the intensity of interaction with analysts/fund managers of FPIs, domestic MFs, Insurance cos. etc. during the year leveraging both physical and virtual meeting platforms. The Company also engaged with investors with specific focus on Environment, Social and Governance (ESG) and investor presentations on other major events such as acquisitions by the Company were made available in the public domain, through the websites of the Company and the Stock Exchanges. Moreover, information on Company's initiatives in areas such as Nature-related reporting, commodity certifications for deforestation free/ deforestation and conversion free sourcing, Biodiversity conservation, are all covered in public disclosures such as ITC's Sustainability Reports; making forest-related information accessible for investors and shareholders.

(5.11.9.6) Effect of engagement and measures of success

The Company continues to communicate quarterly performance takeaways through press releases and detailed Investor presentations along with providing clarifications to analysts and others on such financial results. Key highlights of quarterly performance including ESG performance are also being shared with the shareholders by e-mail. The 'Investor Relations' section of the Company's website is also being updated on an ongoing basis. Measures of success: 1. The Company is well recognised for its ESG credentials and is acknowledged as one of the pioneers of adopting the Triple Bottom Line philosophy in India. ITC is also well recognised by international bodies for its TNFD aligned Nature Report. 2. ITC has been included in the Dow Jones Sustainability Emerging Markets Index for the fifth year in a row and have retained 'AA' rating by MSCI-ESG for 7 years now. The Company also features in the 'Leadership' level in the CDP Climate and CDP Water ratings. 3. ITC been able to meet many of our Sustainability 2.0 targets for 2030 well ahead of time and are now recalibrating them upwards

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Suppliers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information on environmental initiatives, progress and achievements

☑ Other education/information sharing, please specify :ITC's Supplier Sustainability Assessment Framework is based on four pillars: • Environment; • Health & Safety; • Labour practices & Human Rights; and • Governance & Fair Business. Each pillar is composed of essential and advanced indicators.

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Rationale for engaging these suppliers and the scope of engagement: For focussed engagement, ITC Businesses identify a prioritised set of critical or significant suppliers based on multiple criteria like the value of the business with these suppliers, business relevance, potential ESG risks and opportunities associated with the supplier, ESG risk exposure of the sector/ country/ region/ commodity type (as applicable), and substitutability of the supplier, among others. This structured approach ensures that ITC remains committed to driving sustainability across its supply chain operations. ITC closely engages with these prioritised set of suppliers and periodically revisits the list. ITC Businesses systematically screen suppliers before initiating a business relationship to ensure that supply chain risks, if any, are mitigated at an early stage. The process includes a financial and nonfinancial assessment and covers risks like supplier's capacity to undertake assigned work, quality of products or services, potential ESG risks associated the supplier as well as any sector/country/ commodity-level risks. ITC's Supplier Sustainability Assessment Framework is based on four pillars: • Environment; • Health & Safety; • Labour practices & Human Rights; and • Governance & Fair Business. Each pillar is composed of essential and advanced indicators. Essential indicators reflect latest compliance requirements, ITC's Codes/Policies and other established norms in the industry. On the other hand, advanced indicators are based on best practices and requirements emanating from global sustainability standards and frameworks. Adherence to advanced indicators signifies higher level of supplier maturity in terms of sustainability. Through baseline assessment of suppliers, areas of improvement were identified under each of the pillars. Appropriate actions were undertaken for issues like documentation of policies on labour practices, improvement of practices for waste segregation, among others.

(5.11.9.6) Effect of engagement and measures of success

The success of supply chain programme (Identification and Engagement with Critical Suppliers) is measured on two areas: 1.Measure of success: Covering over 80% of suppliers till FY 2024-25 would be termed as successful training Achievement against measure of success: Till FY 2024-25, the ESG focussed training programmes organised by ITC covered ~800 Tier-1 Suppliers, including 100% Critical Tier-1 Suppliers from across ITC Businesses. 2. Measure of success: Assessment of over 50% suppliers till FY 2024-25 Achievement against measure of success: Till FY 2024-25, ~70% of Critical Tier-1 suppliers have been assessed by a third party in line with ITC's Supplier Sustainability Assessment Framework.

Forests

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Smallholders/ Farmers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Encourage collaborative work in multi-stakeholder landscape towards initiatives for sustainable land-use goals

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

ITC engages with farmers through the Social and Farm Forestry Programme – ensuring sustainable timber production. Smallholder farmers are engaged with under the Social forestry programme of ITC. This programme involves tree plantations for pulp, energy, and other commercial uses, and offers an effective means to diversify income, restore degraded lands, and contribute to environmental sustainability. Social forestry, involving tree plantations for pulp, energy, and other commercial uses, offers an effective means to diversify income, restore degraded lands, and contribute to environmental sustainability. Studies indicate that

agroforestry systems, including social forestry, help improve soil health, increase carbon sequestration, and provide a steady income stream, particularly for smallholder farmers. 1. Pulpwood and Energy plantations are promoted at scale to help farmers realise the market opportunities available in their catchments and to meet their own wood requirements. 2. Considering the interests of small farmers, plantations are done through agro-forestry and bund plantation models, both of which enable cultivation of trees and crops together, thus ensuring incomes, and also contributing to food & wood security for the nation. 3. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), helping them get a premium in addition to regular income from wood. The farm forestry programme by ITC's Paper Business promotes sustainable forests management practices in the value chain and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming.

(5.11.9.6) Effect of engagement and measures of success

The Social Forestry programme has covered over 37,300 acres, benefitting over 10,500 households during the year, thus, cumulatively covering over 528,000 acres impacting 190,000 lakh households, most of whom are small and tribal community farmers. ITC's Farm and Social forestry programmes have together covered over 1.3 million acres till date. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), wherein during the year, 890 farmers got about INR 4.2 million as FSC® premium in addition to regular wood income.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Suppliers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Rationale for engaging these suppliers and the scope of engagement: For focussed engagement, ITC Businesses identify a prioritised set of critical or significant suppliers based on multiple criteria like the value of the business with these suppliers, business relevance, potential ESG risks and opportunities associated with the supplier, ESG risk exposure of the sector/ country/ region/ commodity type (as applicable), and substitutability of the supplier, among others. This structured approach ensures that ITC remains committed to driving sustainability across its supply chain operations. ITC closely engages with these prioritised set of suppliers and periodically revisits the list. ITC Businesses systematically screen suppliers before initiating a business relationship to ensure that supply chain risks, if any, are mitigated at an early stage. The process includes a financial and nonfinancial assessment and covers risks like supplier's capacity to undertake assigned work, quality of products or services, potential ESG risks associated the supplier as well as any sector/country/ commodity-level risks. ITC's Supplier Sustainability Assessment Framework is based on four pillars: • Environment; • Health & Safety; • Labour practices & Human Rights; and • Governance & Fair Business. Each pillar is composed of essential and advanced indicators. Essential indicators reflect latest compliance requirements, ITC's Codes/Policies and other established norms in the industry. On the other hand, advanced indicators are based on best practices and requirements emanating from global sustainability standards and frameworks. Adherence to advanced indicators signifies higher level of supplier maturity in terms of sustainability. Through baseline assessment of suppliers, areas of improvement were identified under each of the pillars. Appropriate actions were undertaken for issues like documentation of policies on labour practices, improvement of practices for waste segregation, among others.

(5.11.9.6) Effect of engagement and measures of success

The success of supply chain programme (Identification and Engagement with Critical Suppliers) is measured on two areas: 1.Measure of success: Covering over 80% of suppliers till FY 2024-25 would be termed as successful training Achievement against measure of success: Till FY 2024-25, the ESG focussed training programmes organised by ITC covered ~800 Tier-1 Suppliers, including 100% Critical Tier-1 Suppliers from across ITC Businesses. 2. Measure of success: Assessment of over 50% suppliers till FY 2024-25 Achievement against measure of success: Till FY 2024-25, ~70% of Critical Tier-1 suppliers have been assessed by a third party in line with ITC's Supplier Sustainability Assessment Framework.

Forests

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Suppliers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

Innovation and collaboration

☑ Encourage collaborative work in multi-stakeholder landscape towards initiatives for sustainable land-use goals

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

ITC supplier engagement is guided by ITC's Sustainable Supply Chain and Responsible Sourcing Policy as well as Supplier Code of Conduct. For focussed engagement, ITC Businesses identify a prioritised set of critical or significant suppliers based on multiple criteria like the value of the business with these suppliers, business relevance, potential ESG risks and opportunities associated with the supplier, ESG risk exposure of the sector/ country/ region/ commodity type (as applicable), and substitutability of the supplier, among others. This structured approach ensures that ITC remains committed to driving sustainability across its supply chain operations. ITC closely engages with these prioritised set of suppliers and periodically revisits the list. International and national suppliers, including suppliers of pulp are covered under these engagement programmes. Additionally, all the suppliers from which ITC procures pulp are FSC (R)-COC certified, and the pulp procured is either FSC (R)Controlled wood, FSC (R) Recycled or FSC (R) mix origin. In tobacco and pulpwood value-chains, ITC's policies on Zero Deforestation, principles on Sustainable Agriculture - are all made part of ITC's engagement and handholding programmes of farmers.

(5.11.9.6) Effect of engagement and measures of success

The success of supply chain programme (Identification and Engagement with Critical Suppliers) is measured on two areas: 1.Measure of success: Covering over 80% of suppliers till FY 2024-25 would be termed as successful training Achievement against measure of success: Till FY 2024-25, the ESG focussed training programmes organised by ITC covered ~800 Tier-1 Suppliers, including 100% Critical Tier-1 Suppliers from across ITC Businesses. 2. Measure of success: Assessment of over 50% suppliers till FY 2024-25 Achievement against measure of success: Till FY 2024-25, ~70% of Critical Tier-1 suppliers have been assessed by a third party in line with ITC's Supplier Sustainability Assessment Framework.
[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

☑ Philip Morris International Inc.

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.12.3) Commodities the initiative relates to

Select all that apply

☑ Timber products

(5.12.4) Initiative category and type

Relationship sustainability assessment

☑ Align goals to feed into customers targets and ambitions

(5.12.5) Details of initiative

Consortium of customers - Tobacco manufacturers across the world are part of this group by establishing a common Sustainable Tobacco Programme (STP) guidelines (2.0) - under eight different themes viz, Water, Human rights, Crop, Climate change, Livelihood, Natural habitat, Soil theme and Governance. ITC participates as a supplier and provides data with respect to the supplies to the customers under the STP consortium.

(5.12.6) Expected benefits

Select all that apply

☑ Improved resource use and efficiency

☑ Increased transparency of upstream/downstream value chain

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

None

Row 2

(5.12.1) Requesting member

Select from:

☑ Imperial Brands

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.12.3) Commodities the initiative relates to

Select all that apply

☑ Timber products

(5.12.4) Initiative category and type

Relationship sustainability assessment

☑ Align goals to feed into customers targets and ambitions

(5.12.5) Details of initiative

Consortium of customers - Tobacco manufacturers across the world are part of this group by establishing a common Sustainable Tobacco Programme (STP) guidelines (2.0) - under eight different themes viz, Water, Human rights, Crop, Climate change, Livelihood, Natural habitat, Soil theme and Governance. ITC participates as a supplier and provides data with respect to the supplies to the customers under the STP consortium.

(5.12.6) Expected benefits

Select all that apply

☑ Improved resource use and efficiency

☑ Increased transparency of upstream/downstream value chain

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

None

Row 3

(5.12.1) Requesting member

Select from:

☑ British American Tobacco PLC

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

☑ Forests

☑ Water

(5.12.3) Commodities the initiative relates to

Select all that apply

☑ Timber products

(5.12.4) Initiative category and type

Relationship sustainability assessment

☑ Align goals to feed into customers targets and ambitions

(5.12.5) Details of initiative

Consortium of customers - Tobacco manufacturers across the world are part of this group by establishing a common Sustainable Tobacco Programme (STP) guidelines (2.0) - under eight different themes viz, Water, Human rights, Crop, Climate change, Livelihood, Natural habitat, Soil theme and Governance. ITC participates as a supplier and provides data with respect to the supplies to the customers under the STP consortium.

(5.12.6) Expected benefits

Select all that apply

☑ Improved resource use and efficiency

☑ Increased transparency of upstream/downstream value chain

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

NONE
[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, but we plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☑ Other, please specify :Environmental initiatives undertaken are part of ITC's Sustainability Agenda or product certification requirement by customers

(5.13.3) Explain why your organization has not implemented any environmental initiatives

ITC believes that when enterprises make societal value creation an integral part of their corporate strategy, powerful drivers of innovation emerge that make growth more enduring for all stakeholders. This paradigm is called 'Responsible Competitiveness' - an abiding strategy that focuses on extreme competitiveness but in a manner that replenishes the environment and supports sustainable livelihoods. ITC's innovative business models synergise the building of economic, environmental and social capital, thus embedding sustainability at the core of its corporate strategy. ITC's Sustainability strategy has not only contributed to building strong businesses of the future as well as a portfolio of winning world-class brands, but also in making your Company a global exemplar in 'Triple Bottom Line' performance. Your Company is actively working towards Sustainability 2.0, an agenda which reimagines sustainability under the pressing challenges of climate change and social inequity. Sustainability 2.0 calls for inclusive strategies that can support sustainable livelihoods, pursue newer ways to fight climate change, enable the transition to a

net zero economy, work towards ensuring water security for all and create an effective circular economy for post-consumer packaging waste. It also entails protecting and restoring biodiversity and ecosystem services through adoption of nature-based solutions. Therefore, ITC's Sustainability agenda is driven by its own priorities and goals. A few examples include: Investment in decarbonization and developing climate resilience across value chains including agri value chains. ITC is also working with stakeholders within the catchment to ensure water security for all.
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	*Select from:* ☑ Operational control	*Operational control is relevant for a manufacturing organization like ITC and hence this approach is selected.*
Forests	*Select from:* ☑ Operational control	*Operational control is relevant for a manufacturing organization like ITC and hence this approach is selected.*
Water	*Select from:* ☑ Operational control	*Operational control is relevant for a manufacturing organization like ITC and hence this approach is selected.*
Plastics	*Select from:* ☑ Operational control	*Operational control is relevant for a manufacturing organization like ITC and hence this approach is selected.*
Biodiversity	*Select from:* ☑ Operational control	*Operational control is relevant for a manufacturing organization like ITC and hence this approach is selected.*

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply
☑ Yes, a divestment

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

ITC Hotels Limited

(7.1.1.3) Details of structural change(s), including completion dates

During the reporting period, from 1st April 2024 to 31st March 2025, the Hotels Business (except ITC Grand Central) has been demerged into ITC Hotels Limited. This demerger was effective from 01/01/2025.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	Select all that apply ☑ Yes, a change in boundary	*Hotels Business has been demerged from ITC Limited and therefore, removed from the reporting boundary.*

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 2, market-based

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

ITC has taken FY 2018-19 as the baseline year for its Sustainability 2.0 targets. To ensure the representativeness of the base-year GHG inventory, ITC has defined base-year review and recalculation approach to account for substantial cumulative changes in base-year emissions resulting from (any of below): a) a structural change in the reporting boundary (i.e. merger, acquisition or divestiture) b) a change in significant calculation methodologies or emission factors (excluding impact of using updated GWPs), c) the discovery of an error or a number of cumulative errors that are collectively substantial (usually above 5%). Operational changes such as changes in facility production levels, opening/closing of facilities, etc. will not result in baseline recalculation. In the present case, ITC Hotels has been divested as a separate listed entity. Hence, the baseline year has been recalculated.

(7.1.3.4) Past years' recalculation

Select from:

☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories

☑ ISO 14064-1

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*None*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

1223352

(7.5.3) Methodological details

Emission factors provided in the IPCC Guideline for National Greenhouse Gas Inventories of 2006 have been used to calculate GHG emissions from stationary combustion sources. Activity data (quantity of fuel consumed) is multiplied with the respective default energy factor or actual measured Net Calorific Value (NCV) to arrive at the energy consumption values, which is multiplied by the emission factor to quantify the direct emission from stationary combustion sources.

Scope 2 (location-based)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

140645

(7.5.3) Methodological details

The quantification of indirect GHG emission due to purchased electricity is based on activity data (electricity consumption in kWh) multiplied by emission factors specified in the 'CO2 Baseline Database for the Indian Power Sector User Guide', (version 13.0, June 2018) issued by Central Electricity Authority, Government of India. The quantification of indirect GHG emissions for purchased steam is based on activity data (energy consumption in GJ) multiplied by the relevant emission factor provided in the IPCC Guideline for National Greenhouse Gas Inventories of 2006.

Scope 2 (market-based)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

139963

(7.5.3) Methodological details

The quantification of indirect GHG emission due to purchased electricity is based on activity data (electricity consumption in kWh) multiplied by emission factors specified in the 'CO2 Baseline Database for the Indian Power Sector User Guide', (version 13.0, June 2018) issued by Central Electricity Authority, Government of India. The quantification of indirect GHG emissions for purchased steam is based on activity data (energy consumption in GJ) multiplied by the relevant emission factor provided in the IPCC Guideline for National Greenhouse Gas Inventories of 2006.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

03/30/2019

(7.5.2) Base year emissions (metric tons CO2e)

11228.0

(7.5.3) Methodological details

The calculated GHG emissions are based on (i) the total quantity of diesel consumed by all vendors for electricity generation using diesel-generator sets and (ii) the total electrical energy consumed by all the vendors combined together (iii) transportation of raw materials, products and wastes in the business operations of the vendors. The total quantity of diesel consumed by all vendors is multiplied with the net calorific value of diesel from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and in turn with the emission factor of diesel (from IPCC) in order to arrive at the emissions owing to stationary energy consumption through combustion of diesel. The total electrical energy consumed by all the vendors combined together, has been multiplied with the grid emission factor from CEA Baseline Carbon Dioxide Emission Database Version 13.0 – LATEST in order to arrive at the emissions owing to electrical energy consumption. The transportation/distribution are of 4 types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. Quantity of material (raw materials) transported has been

multiplied with the distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors are as follows: Emission factor published by India GHG Programme The sum total of these three emissions yields the emissions owing to outsourced manufacturing processes under Education and Stationary Products business (18 Nos), third party manufacturers under Cigarette business (2 Nos.) and an associate company (ATC Limited). ITC has calculated its Scope 3 GHG emissions, in accordance with ISO 14064:2006, the latest international standard specifying principles and requirements at the organization level for quantification and reporting of greenhouse gas (GHG) emissions and removals. The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ITC's emissions from capital expenditure is calculated by multiplying the total capital expenditure with the corresponding emission factor provided by Quantis. These emissions were normalised for the average lifetime of capital goods (generally over 10 years). Given the nature of these emissions, mitigation will depend on sustainable or low-carbon primary materials such as steel, cement, aluminium etc. being available in the market, and are therefore outside the purview of ITC's interventions. Hence, this is not considered relevant and excluded from the inventory for the time being.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

11228

(7.5.3) Methodological details

The calculated GHG emissions are based on (i) the total quantity of diesel consumed by all vendors for electricity generation using diesel-generator sets and (ii) the total electrical energy consumed by all the vendors combined together (iii) transportation of raw materials, products and wastes in the business operations of the vendors. The total quantity of diesel consumed by all vendors is multiplied with the net calorific value of diesel from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and in turn with the emission factor of diesel (from IPCC) in order to arrive at the emissions owing to stationary energy consumption through combustion of diesel. The total electrical energy consumed by all the vendors combined together, has been multiplied with the grid emission factor from CEA Baseline Carbon Dioxide Emission Database Version 13.0 – LATEST in order to arrive at the emissions owing to electrical energy consumption. The transportation/distribution are of 4 types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. Quantity of material (raw materials) transported has been multiplied with the distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors are as follows: Emission factor published by India GHG Programme The sum total of these three emissions yields the emissions owing to outsourced manufacturing processes under Education and Stationary Products business (18 Nos), third party manufacturers under Cigarette business (2 Nos.) and an associate company (ATC Limited). ITC has calculated its Scope 3 GHG emissions, in accordance with ISO 14064:2006, the latest international standard specifying principles and requirements at the organization level for quantification and reporting of greenhouse gas (GHG) emissions and removals. The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

93295

(7.5.3) Methodological details

Mode of downstream transportation and distribution are of four types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. All Transportation between ITC Units, has been accounted for under upstream transportation and distribution. Quantity of raw materials transported has been multiplied with the distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors are as follows: Road, Rail and Air - Emission factors for India GHG Programme, Ship - latest Measuring and Managing CO2 emissions published by The European Chemical Industry Council (CEFIC). The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

ITC has been sending its waste for recycling. In 2018-19, over 99% of ITC's waste generated was sent for recycling. Therefore, the primary source of emissions from waste is primarily its transportation. The downstream transportation of wastes has been captured under the source 'Purchased Downstream transportation and distribution' while calculating Scope 3 GHG emissions. Hence, it is not separately accounted.

Scope 3 category 6: Business travel

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

7584.0

(7.5.3) Methodological details

GHG emissions due to employee air travel has been calculated based on the emission factor chosen from India GHG Programme. The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

3992.0

(7.5.3) Methodological details

Approach - Distance-based Method: Calculations are based on Distance Travelled and Distance-based Emission Factors. Data are collected on vehicle type [bus (diesel/CNG), car (petrol/diesel), mini bus) and distance travelled by vehicles for employee commuting. Based on the above reported vehicle type & distance data and relevant default factors, emissions due to employee commuting has been calculated using following formula: GHG emissions = Distance Travelled x Emission factor, sourced from Emission factor development for Indian Vehicles, a report by the Automotive Research Association of India. The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Emissions from upstream leased assets, if any, are included under scope 1,2 emissions.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

165471.0

(7.5.3) Methodological details

Mode of downstream transportation and distribution are of four types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. All Transportation between ITC Units, has been accounted for under upstream transportation and distribution. Quantity of raw materials transported has been multiplied with the distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors are as follows: Road, Rail and Air - Emission factors for India GHG Programme, Ship - latest Measuring and Managing CO2 emissions published by The European Chemical Industry Council (CEFIC). The scope 3 emissions have been assured upon by M/s Ernst & Young Associates LLP (EY), to a reasonable level.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Not relevant for ITC's businesses. ITC's product portfolio includes a mix of business-to-business (B2B) consumable products (like agri commodities, paper and paperboards (for packaging), and packaging) as well as FMCG products (B2C) that are sold directly to consumers (cigarettes, branded packaged foods, personal care and others). On a life cycle basis, these products do not entail any significant emissions during the consumption stage.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

On a life cycle basis, ITC's products do not entail any emissions during the consumption stage.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Given the nature of ITC's product portfolio, it is assumed that ITC's products do not have any end of life related GHG emissions.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Emissions from downstream leased assets, if any, would have been included under scope 1,2 emissions.

Scope 3 category 14: Franchises

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Given nature of ITC's businesses and business models deployed, there are no emissions attributable to franchises.

Scope 3 category 15: Investments

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ITC is not an investment company. Therefore, it is not relevant.

Scope 3: Other (upstream)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Not relevant

Scope 3: Other (downstream)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Not relevant
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

1105192

(7.6.3) Methodological details

The calculated GHG emissions are based on (i) the total quantity of fuel consumed in operations (ii) the total quantity of diesel consumed for electricity generation using diesel-generator sets (iii) process emissions from limestone calcination, (iv) emissions from refrigerant gases released. The total quantity of fuel consumed by all vendors is multiplied with the net calorific value of the respective fuel from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and in turn with the emission factor of the respective fuel (from IPCC) in order to arrive at the emissions owing to stationary energy consumption through combustion. Sources for calculation of emission factors are as follows: Emission factor published by IPCC NGGI 2006, Global Warming Potential (GWP) sourced from IPCC AR6. ITC's Scope 1 GHG emissions are verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP to reasonable level.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

170431

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

159329

(7.7.4) Methodological details

The quantification of indirect GHG emission due to purchased electricity is based on activity data (electricity consumption in kWh) multiplied by weighted average emission factors specified in the 'CO2 Baseline Database for the Indian Power Sector User Guide', (version 20.0, December 2024) issued by Central Electricity Authority, Government of India. For market-based Scope 2 emissions, the emission factor of the contracted power plant is used (where applicable), and for location-based Scope 2 emissions, the emission factor of the grid is used for purchased electricity including purchased renewable electricity. The quantification of indirect GHG emissions for purchased steam is based on activity data (energy consumption in GJ) multiplied by the relevant emission factor. The emission factor is sourced from the IPCC Guideline for National Greenhouse Gas Inventories of 2006 for the corresponding fuel.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

570767

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Supplier-specific method

☑ Average data method
☑ Average product method
☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The calculated GHG emissions are based on (i) the total quantity of fuel consumed in operations (ii) the total quantity of diesel consumed by all vendors for electricity generation using diesel-generator sets (iii) the total electrical energy consumed by all the vendors combined together, and (iv) Upstream (cradle-to-gate) emission factor for select raw materials. The total quantity of fuel consumed by all vendors is multiplied with the net calorific value of the respective fuel from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and in turn with the emission factor of the respective fuel (from IPCC) in order to arrive at the emissions owing to stationary energy consumption through combustion. The total electricity consumed by vendors was multiplied with the grid emission factor from CEA Baseline Carbon Dioxide Emission Database Version 20.0 – LATEST in order to arrive at GHG emissions. Cradle-to-gate average emission factor of key raw materials were sourced from GaBi dataset. The sum total of these emissions sources are accounted for outsourced manufacturing units of Stationery Business (8 Nos) and Cigarette business (4 Nos.) and one associate companies, i.e. ATC Limited. ITC's Scope 3 GHG emissions are assured using ISAE 3410 by KPMG Assurance & Consulting Services LLP.

Capital goods

(7.8.1) Evaluation status

Select from:
☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ITC's emissions from capital expenditure is calculated by multiplying the total capital expenditure with the corresponding emission factor provided by Quantis. These emissions were normalised for the average lifetime of capital goods (generally over 10 years). Given the nature of these emissions, mitigation will depend on sustainable or low-carbon primary materials such as steel, cement, aluminium etc. being available in the market, and are therefore outside the purview of ITC's interventions. Hence, this is not considered relevant and excluded from the inventory for the time being.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

100234

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Average product method

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Fuel related upstream emission factors are sourced from the information provided in the CDM Methodological tool – Upstream leakage emissions associated with fossil fuel use, Version 2.0. For electricity related upstream emission factor, Transmission losses were sourced from the data published by Ministry of Power, Government of India. Emissions are calculated by multiplying energy from each fuel with corresponding upstream emission factor. For grid electricity, emissions are calculated by multiplying grid electricity with transmission losses and grid emission factor. ITC's Scope 3 GHG emissions are assured using ISAE 3410 by KPMG Assurance & Consulting Services LLP.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

146579

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Mode of downstream transportation and distribution are of four types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. All Transportation between ITC Units, has been accounted for under upstream transportation and distribution. Quantity of raw materials transported has been multiplied with the distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors for different modes of transportation are as follows: Road - India Specific Road Transport Emission Factors published by India GHG Programme. Rail – Emission factor shared by India railways. Air - India Specific Air Transport Emission Factors for Passenger Travel and Material Transport published by India GHG Programme1. Ship

- Emission factor published by Department of Business, Energy & Industrial Strategy, UK. Scope 3 GHG emissions for upstream transportation has been verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

ITC has been sending its waste for recycling. In 2024-25, over 99% of ITC's waste generated was sent for recycling. Therefore, the primary source of emissions from waste is primarily its transportation. The downstream transportation of wastes has been captured under the source 'Purchased Downstream transportation and distribution' while calculating Scope 3 GHG emissions. Hence, it is not separately accounted.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

11717

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

GHG emissions due to employee air travel has been calculated using the emission factor sourced from India GHG Programme. Scope 3 GHG emissions for business travel has been verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

5481

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Approach - Distance-based Method: Calculations are based on Distance Travelled and Distance-based Emission Factors. Data are collected on vehicle type [bus (diesel/CNG), car (petrol/diesel), mini bus) and distance travelled by vehicles for employee commuting. Based on the above reported vehicle type & distance data and relevant default factors, emissions due to employee commuting has been calculated using following formula: GHG emissions Distance Travelled x Emission factor, sourced from Emission factor development for Indian Vehicles, a report by the Automotive Research Association of India. Scope 3 GHG emissions for employee commuting has been verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from upstream leased assets, if any, are included under scope 1,2 emissions.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

173212

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Mode of downstream transportation and distribution are of four types: Road, Rail, Air and Ship. The various types of trucks have been considered and data has been collected on quantity of materials in tonnes (raw materials) transported through different modes of transport along with the distances covered in km. All Transportation between ITC Units, has been accounted for under upstream transportation and distribution. Quantity of raw materials transported has been multiplied with the

distance it travelled to arrive at 'Tonne-km', and then add all Tonne-kms of a particular mode of transport to arrive at total Tonne-kms for the mode under consideration. Total Tonne-km for each mode has been multiplied with the respective emission factor for the mode. Sources for calculation of emission factors for different modes of transportation are as follows: Road - India Specific Road Transport Emission Factors published by India GHG Programme. Rail – Emission factor shared by India railways. Air - India Specific Air Transport Emission Factors for Passenger Travel and Material Transport published by India GHG Programme1. Ship - Emission factor published by Department of Business, Energy & Industrial Strategy, UK. Scope 3 GHG emissions for downstream transportation has been verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant for ITC's businesses. ITC's product portfolio includes a mix of business-to-business (B2B) consumable products (like agri commodities, paper and paperboards (for packaging), and packaging) as well as FMCG products (B2C) that are sold directly to consumers (cigarettes, branded packaged foods, personal care and others). On a life cycle basis, these products do not entail any significant emissions during the consumption stage.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

ITC's product portfolio includes a mix of business-to-business (B2B) products (like agri commodities, paper and paperboards, and packaging) as well as FMCG products that are sold directly to consumers (cigarettes, branded packaged foods, personal care and others). On a life cycle basis, these products do not entail any significant emissions during the consumption stage.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

54350

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

ITC's product portfolio includes a mix of business-to-business (B2B) products (like agri commodities, paper and paperboards, and packaging) as well as FMCG products that are sold directly to consumers (cigarettes, branded packaged foods, personal care and others). These products are fully consumed and except packaging nothing remains after use. ITC has programmes on managing plastic packaging that remains after the usage of the product. Therefore, emissions from end of life of plastic packaging is accounted here. End of life of incineration of plastic is sourced from the WARM tool (Version 16) published by US EPA. Emission factor for mixed plastic is used which is multiplied with the quantity of plastic waste send for co-processing through various channel partners. Scope 3 GHG emissions for downstream transportation has been verified using ISAE 3410 by KPMG Assurance & Consulting Services LLP

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Emissions from downstream leased assets, if any, would have been included under scope 1,2 emissions.

Franchises

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Given nature of ITC's businesses and business models deployed, there are no emissions attributable to franchises.

Investments

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

ITC is not an investment company. Therefore, it is not relevant.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.1.4) Attach the statement

Assurance_Report_ITC_GHG_2025-06-23_Final.cleaned.pdf

(7.9.1.5) Page/section reference

Page 1 provides information on the period, i.e. 01 Apr 2024 to 31 Mar 2025. Page 1 refers to the standards used to calculate GHG inventory, i.e. GHG Protocol and Page 2 provides information on the assurance standard, i.e. ISAE 3410 Page 2 include Type of assurance, i.e. reasonable assurance. Annexure I on page 7 provides assured GHG emissions data including Scope 1 GHG emissions.

(7.9.1.6) Relevant standard

Select from:

☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

Assurance_Report_ITC_GHG_2025-06-23_Final.cleaned.pdf

(7.9.2.6) Page/ section reference

Page 1 provides information on the period, i.e. 01 Apr 2024 to 31 Mar 2025. Page 1 refers to the standards used to calculate GHG inventory, i.e. GHG Protocol and Page 2 provides information on the assurance standard, i.e. ISAE 3410 Page 2 include Type of assurance, i.e. reasonable assurance. Annexure I on page 7 provides assured GHG emissions data including Scope 1 GHG emissions.

(7.9.2.7) Relevant standard

Select from:

☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

Assurance_Report_ITC_GHG_2025-06-23_Final.cleaned.pdf

(7.9.2.6) Page/ section reference

Page 1 provides information on the period, i.e. 01 Apr 2024 to 31 Mar 2025. Page 1 refers to the standards used to calculate GHG inventory, i.e. GHG Protocol and Page 2 provides information on the assurance standard, i.e. ISAE 3410 Page 2 include Type of assurance, i.e. reasonable assurance. Annexure I on page 7 provides assured GHG emissions data including Scope 1 GHG emissions.

(7.9.2.7) Relevant standard

Select from:

☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Business travel

☑ Scope 3: Employee commuting

☑ Scope 3: Purchased goods and services

☑ Scope 3: Upstream transportation and distribution

☑ Scope 3: Downstream transportation and distribution

☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

Assurance_Report_ITC_GHG_2025-06-23_Final.cleaned.pdf

(7.9.3.6) Page/section reference

Page 1 provides information on the period, i.e. 01 Apr 2024 to 31 Mar 2025. Page 1 refers to the standards used to calculate GHG inventory, i.e. GHG Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Page 2 provides information on the assurance standard, i.e. ISAE 3410 Page 2 include Type of assurance, i.e. limited assurance. Annexure I on page 7 provides assured GHG emissions data including Scope 1 GHG emissions.

(7.9.3.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

22429

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.6

(7.10.1.4) Please explain calculation

Impact due to change in renewable energy consumption is calculated by assessing the change in share of renewable energy and its corresponding impact on GHG emissions (by multiplying with the corresponding emission factor). Step wise calculations are mentioned below: Step 1: The difference between renewable energy-based electricity consumed in 2024-25 and 2023-24 is multiplied with the corresponding grid emission factor. Formula used: [Renewable electricity (2024-25) - Renewable electricity (2023-24)](Grid emission factor) Step 2: The difference between renewable thermal energy consumed in 2024-25 and 2023-24 is multiplied with the corresponding emission factor. Formula used: [Renewable thermal (2024-25) - Renewable thermal (2023-24)]*(Emission Factor) Emission factor is used for the corresponding energy type being replaced. For example, cogeneration plant in Paper Business utilizes biofuels along with coal, and increase in share of biomass will imply replacing coal. Step 3: The values from step 1 and 2 are added to arrive at change in emissions due to renewable energy. Formula used: Change in emissions due to renewable energy [Renewable electricity (2024-25) - Renewable electricity (2023-24)]*(Grid emission factor) [Renewable thermal (2024-25) - Renewable thermal (2023-24)]*(Emission Factor) Step 4: Percentage change is calculated by dividing the value from step 3 with the previous year's emissions, and multiplying by 100. Formula used: Percentage change Change in emissions due to renewable energy/(Previous year's emissions (Scope 1+ Scope 2))*100*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

5000

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.4

(7.10.1.4) Please explain calculation

This includes Energy and GHG reduction projects implemented during the year. This is calculated by the adding up actual savings from multiple projects during the year. Step 1: Energy saved from project 1 is multiplied with the corresponding emission factor to arrive at the figure for emissions reduced. Formula used: (Energy saved from Project 1)(Emission Factor) Step 2: Energy saved from project 2 is multiplied with the corresponding emission factor to arrive at the figure for emissions reduced. Formula used: (Energy saved from Project 2)*(Emission Factor) Step 3: Emissions reduced from all the projects are aggregated. Formula used: (Energy saved from Project1)*(Emission Factor)(Energy saved from Project2)*(Emission Factor)...(Energy saved from Projectn)*(Emission Factor) Emission Factor is selected for the energy saved by each of the project. For example, for efficient LED lights project that saves grid electricity, its GHG emissions saved is calculated by multiplying electricity saved with grid emission factor. Step 4: Percentage change is calculated by dividing the figure from step 4 (change in emissions due to emission reduction activities) with the previous year's emissions, and multiplying by 100. Formula used: Percentage change Change in emissions due to emission reduction activities/(Previous year's emissions (Scope 1 + Scope 2))*100*

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

74048

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

5.3

(7.10.1.4) Please explain calculation

*During the year, Hotels Business has been divested into a separate listed company - ITC Hotels Limited. Emissions associated by ITC Hotels Limited and its subsidiaries are reported under emissions reduced from divestment. It is calculated as: Step 1: Calculate Scope 1 and Scope 2 GHG emissions for Hotels Business and its subsidiaries in previous year, i.e. FY 2023-24. Step 2: Percentage change is calculated by dividing the figure from step 1 (emissions associated with ITC Hotels Limited) with the previous year's emissions, and multiplying by 100. Formula used: Percentage change is Previous year's emissions associated with ITC Hotels Limited/(Previous year's emissions (Scope 1 + Scope 2))*100*

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

18676

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.3

(7.10.1.4) Please explain calculation

*The increase in output reflects the growth in ITC businesses and demand for underlying products. This is estimated by taking into account the specific GHG for each Business and their key product categories multiplied with the actual production of each of the product categories manufactured. The formula is mentioned below: (Specific GHG of Product category 1 * Actual production of Product category 1) (Specific GHG of Product category 2 * Actual production of Product category 2)... (Specific GHG of Product category n * Actual production of Product category n) Percentage change is calculated using below formula. Percentage change: Change in emissions due to change in output/(Previous year's emissions)*100*

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

3373

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.2

(7.10.1.4) Please explain calculation

*For the year 2024-25, two factories: Foods factory at Jammu and Personal Care factory at Uluberia were added. The formula is mentioned below: Jammu factory (Scope 1 GHG Scope 2 GHG) Uluberia factory (Scope 1 GHG Scope 2 GHG). Percentage change is calculated using below formula. Percentage change Change in emissions due to change in boundary/(Previous year's emissions)*100*

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No Change
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.13) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Select from:

☑ Yes

(7.13.1) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

(7.13.1.1) Emissions (metric tons CO2)

1207844

(7.13.1.2) Methodology

Select all that apply
☑ Default emissions factors

(7.13.1.3) Please explain

It includes biomass used by ITC factories. Biogenic emissions is calculated by multiplying energy of each type of biomass multiplied with the corresponding emission factor. Emission factor for each type of biomass consumed is sourced from the IPCC National Greenhouse gas inventories 2006.

CO2 emissions from biofuel combustion (other)

(7.13.1.1) Emissions (metric tons CO2)

0

(7.13.1.2) Methodology

Select all that apply
☑ Default emissions factors

(7.13.1.3) Please explain

Not applicable
[Fixed row]

(7.14) Do you calculate greenhouse gas emissions for each agricultural commodity reported as significant to your business?

Timber products

(7.14.1) GHG emissions calculated for this commodity

Select from:

☑ Yes

(7.14.2) Reporting emissions by

Select from:

☑ Total

(7.14.3) Emissions (metric tons CO2e)

39119

(7.14.5) Change from last reporting year

Select from:

☑ About the same

(7.14.6) Please explain

GHG emissions are calculated by multiplying the quantity of wood sourced with the corresponding emission factor. GHG emissions has remained the same (about 2% decreased). Emissions intensity, i.e. emissions per metric tonne of timber, has remained same. This was sourced from the GaBi database (2018). Note: ITC has defined that change within the range of /- 15% as compared to last reporting year, implies performance has remained about the same, change between /- 16% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Tobacco

(7.14.1) GHG emissions calculated for this commodity

Select from:

☑ Yes

(7.14.2) Reporting emissions by

Select from:

☑ Total

(7.14.3) Emissions (metric tons CO2e)

144747

(7.14.5) Change from last reporting year

Select from:

☑ Lower

(7.14.6) Please explain

In 2024-25, emissions calculations methodology has remained same. Emissions are calculated based on each of the cultivation process both on-farm and off-farm, including nursery, transplantation, growing, cultivation and curing. Emissions are calculated for the each type of tobacco sourced and processed. This also includes processing done at the farmer's end, i.e. tobacco curing, as well. Emission in the current year is 26% lower as compared to last year. Hence, reported as lower. Emission factors are same as shared with key customers through Sustainable Tobacco Programme (STP). The emission sources in this include sources such as UK DEFRA, IPCC National Greenhouse gas Inventories 2006 and Global Warming Potential from AR5.

Wheat

(7.14.1) GHG emissions calculated for this commodity

Select from:

☑ Yes

(7.14.2) Reporting emissions by

Select from:

☑ Total

(7.14.3) Emissions (metric tons CO2e)

894251

(7.14.5) Change from last reporting year

Select from:

☑ About the same

(7.14.6) Please explain

GHG emissions from wheat cultivation is calculated by multiplying quantity of wheat sourced with the corresponding emission factor. Emission factor for wheat is sourced from the "Greenhouse gas emissions from agricultural food production to supply Indian diets: Implications for climate change mitigation" by Sylvia H. Vetter et. al. GHG emissions has increased by about 9.9% due to increase in sourcing volume. Note: ITC has defined that change within the range of /- 15% as compared to last reporting year, implies performance has remained about the same, change between /- 16% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.
[Fixed row]

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1092672

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

10

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

12510

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:
☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 6

(7.15.1.1) Greenhouse gas

Select from:
☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
India	*1103790*	*169718*	*158616*
Nepal	*1402*	*713*	*713*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Paperboard and Specialty Papers Division*	*1017418*
Row 2	*Foods Business Division*	*36615*
Row 4	*Cigarette/Tobacco Division*	*11471*
Row 5	*Agri Business Division*	*22330*
Row 6	*Printing and Packaging Business*	*10558*
Row 7	*Others (Personal Care, Agri (spices) unit, offices and subsidiaries)*	*6800*

[Add row]

(7.18) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Select from:

☑ Yes

(7.18.2) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Row 1

(7.18.2.1) Activity

Select from:

☑ Processing/Manufacturing

(7.18.2.3) Emissions (metric tons CO2e)

1105192

(7.18.2.4) Methodology

Select all that apply

☑ Default emissions factor

☑ Field measurements

(7.18.2.5) Please explain

This includes the fuel consumed, process emissions, refrigerants etc. ITC's scope 1 GHG emissions are calculated using default emission factor published in IPCC National Greenhouse Gas Inventories 2006 and taking Global Warming Potential published in IPCC fifth Assessment Report
[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Paperboard and Specialty Papers Division*	*31694*	*29420*

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 2	*Foods Business Division*	*66595*	*66595*
Row 4	*Cigarette/Tobacco Division*	*19968*	*18456*
Row 5	*Agri Business Division*	*8516*	*3406*
Row 6	*Printing and Packaging Business*	*20469*	*20469*
Row 7	*Others (Personal Care, Agri (spices) unit, offices and subsidiaries)*	*23189*	*20983*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

1100965

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

164601

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

153499

(7.22.4) Please explain

This include emissions data for ITC Units and subsidiaries part of ITC's Scope 1 and Scope 2 boundary. Emission sources includes the fuel consumed, process emissions, refrigerants etc. ITC's scope 1 GHG emissions are calculated using default emission factor published in IPCC National Greenhouse Gas Inventories 2006 and taking Global Warming Potential published in IPCC sixth Assessment Report

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

4227

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

5830

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

5830

(7.22.4) Please explain

This include emissions data for only subsidiaries (excluding ITC own Units) part of ITC's Scope 1 and Scope 2 boundary. Emission sources includes the fuel consumed, process emissions, refrigerants etc. ITC's scope 1 GHG emissions are calculated using default emission factor published in IPCC National Greenhouse Gas Inventories 2006 and taking Global Warming Potential published in IPCC sixth Assessment Report
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Technico Agri Sciences Limited

(7.23.1.2) Primary activity

Select from:

☑ Biotechnology

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify :Company's registration number

(7.23.1.11) Other unique identifier

U01111DL1999PLC098646

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

108

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

2454

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

2454

(7.23.1.15) Comment

None

Row 5

(7.23.1.1) Subsidiary name

Surya Nepal Private Limited

(7.23.1.2) Primary activity

Select from:

☑ Tobacco products

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify :Company's registration number

(7.23.1.11) Other unique identifier

1488/039

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

1402

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

713

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

713

(7.23.1.15) Comment

None

Row 6

(7.23.1.1) Subsidiary name

ITC Infotech (India) Limited

(7.23.1.2) Primary activity

Select from:
☑ IT services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ Other unique identifier, please specify :Company registration

(7.23.1.11) Other unique identifier

U65991WB1996PLC077341

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

344

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

655

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

655

(7.23.1.15) Comment

None

Row 7

(7.23.1.1) Subsidiary name

North East Nutrient Private Limited

(7.23.1.2) Primary activity

Select from:

☑ Baked goods & cereals

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify :Company's registration number

(7.23.1.11) Other unique identifier

U15122WB2013PTC196135

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

2373

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

2008

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

2008

(7.23.1.15) Comment

None
[Add row]

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

☑ Imperial Brands

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Imperial Brands to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

932.31

(7.26.9) Emissions in metric tonnes of CO2e

28

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 1 GHG emissions include fuel consumed in the Unit. In addition, it also includes process emissions from calcination of limestone. Other sources of emissions include leakage of refrigerants, CO2 released from the fire extinguishers etc.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 2

(7.26.1) Requesting member

Select from:

☑ Imperial Brands

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Imperial Brands to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

932.31

(7.26.9) Emissions in metric tonnes of CO2e

0

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 3

(7.26.1) Requesting member

Select from:

☑ Imperial Brands

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Imperial Brands to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

932.31

(7.26.9) Emissions in metric tonnes of CO2e

6

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 4

(7.26.1) Requesting member

Select from:

☑ Imperial Brands

(7.26.2) Scope of emissions

Select from:

☑ Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 4: Upstream transportation and distribution

☑ Category 7: Employee commuting

☑ Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Imperial Brands to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

932.31

(7.26.9) Emissions in metric tonnes of CO2e

30

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main sources of Scope 3 GHG emissions include (1) transportation of raw materials, finished goods and waste, (2) Upstream emissions of fuel and energy consumed, and (3) employee commuting.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 5

(7.26.1) Requesting member

Select from:

☑ FLEXTRONICS INTERNATIONAL USA, INC.

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Flextronic International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

53

(7.26.9) Emissions in metric tonnes of CO2e

7

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 1 GHG emissions include fuel consumed in the Unit. In addition, it also includes process emissions from calcination of limestone. Other sources of emissions include leakage of refrigerants, CO2 released from the fire extinguishers etc.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 6

(7.26.1) Requesting member

Select from:

☑ FLEXTRONICS INTERNATIONAL USA, INC.

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Flextronic International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

53

(7.26.9) Emissions in metric tonnes of CO2e

9

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 7

(7.26.1) Requesting member

Select from:

☑ FLEXTRONICS INTERNATIONAL USA, INC.

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Flextronic International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

53

(7.26.9) Emissions in metric tonnes of CO2e

9

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 8

(7.26.1) Requesting member

Select from:

☑ FLEXTRONICS INTERNATIONAL USA, INC.

(7.26.2) Scope of emissions

Select from:

☑ Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

☑ Category 1: Purchased goods and services

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 4: Upstream transportation and distribution

☑ Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Flextronic International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

53

(7.26.9) Emissions in metric tonnes of CO2e

12

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main sources of Scope 3 GHG emissions include (1) transportation of raw materials, finished goods and waste, (2) Upstream emissions of fuel and energy consumed, and (3) employee commuting.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 9

(7.26.1) Requesting member

Select from:

☑ Philip Morris International Inc.

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Philip Morris International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2070

(7.26.9) Emissions in metric tonnes of CO2e

363

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 1 GHG emissions include fuel consumed in the Unit. In addition, it also includes process emissions from calcination of limestone. Other sources of emissions include leakage of refrigerants, CO2 released from the fire extinguishers etc.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 10

(7.26.1) Requesting member

Select from:

☑ Philip Morris International Inc.

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Philip Morris International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2070

(7.26.9) Emissions in metric tonnes of CO2e

30

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 11

(7.26.1) Requesting member

Select from:

☑ Philip Morris International Inc.

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Philip Morris International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2070

(7.26.9) Emissions in metric tonnes of CO2e

131

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 12

(7.26.1) Requesting member

Select from:

☑ Philip Morris International Inc.

(7.26.2) Scope of emissions

Select from:

☑ Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 4: Upstream transportation and distribution

☑ Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Philip Morris International to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2070

(7.26.9) Emissions in metric tonnes of CO2e

102

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main sources of Scope 3 GHG emissions include (1) select raw materials (2) transportation of raw materials, finished goods and waste, (3) Upstream emissions of fuel and energy consumed, and (4) employee commuting.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting

Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 13

(7.26.1) Requesting member

Select from:

☑ British American Tobacco PLC

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to British American Tobacco PLC to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

29653

(7.26.9) Emissions in metric tonnes of CO2e

5040

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 1 GHG emissions include fuel consumed in the Unit. In addition, it also includes process emissions from calcination of limestone. Other sources of emissions include leakage of refrigerants, CO2 released from the fire extinguishers etc.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 14

(7.26.1) Requesting member

Select from:

☑ British American Tobacco PLC

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to British American Tobacco PLC to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

29653

(7.26.9) Emissions in metric tonnes of CO2e

1098

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 15

(7.26.1) Requesting member

Select from:

☑ British American Tobacco PLC

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to British American Tobacco PLC to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

29653

(7.26.9) Emissions in metric tonnes of CO2e

1949

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 16

(7.26.1) Requesting member

Select from:

☑ British American Tobacco PLC

(7.26.2) Scope of emissions

Select from:

☑ Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

☑ Category 1: Purchased goods and services

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 4: Upstream transportation and distribution

☑ Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to British American Tobacco PLC to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

29653

(7.26.9) Emissions in metric tonnes of CO2e

2214

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main sources of Scope 3 GHG emissions include (1) select raw materials (2) transportation of raw materials, finished goods and waste, (3) Upstream emissions of fuel and energy consumed, and (4) employee commuting.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 17

(7.26.1) Requesting member

Select from:

☑ TETRA PAK

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Tetra Pak to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

58871

(7.26.9) Emissions in metric tonnes of CO2e

61807

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 1 GHG emissions include fuel consumed in the Unit. In addition, it also includes process emissions from calcination of limestone. Other sources of emissions include leakage of refrigerants, CO2 released from the fire extinguishers etc.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 18

(7.26.1) Requesting member

Select from:

☑ TETRA PAK

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Tetra Pak to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

58871

(7.26.9) Emissions in metric tonnes of CO2e

2002

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 19

(7.26.1) Requesting member

Select from:

☑ TETRA PAK

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Tetra Pak to the total production from these Unit.

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

58871

(7.26.9) Emissions in metric tonnes of CO2e

2002

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main source of Scope 2 GHG emissions are from the purchased electricity consumed in the facility.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf

Row 20

(7.26.1) Requesting member

Select from:

☑ TETRA PAK

(7.26.2) Scope of emissions

Select from:

☑ Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

☑ Category 1: Purchased goods and services
☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
☑ Category 4: Upstream transportation and distribution
☑ Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:
☑ Facility

(7.26.5) Allocation level detail

There are no meters available to directly measure and report the corresponding GHG emissions. Therefore, factory level emissions are apportioned based on the product supplied to Tetra Pak to the total production from these Unit.

(7.26.6) Allocation method

Select from:
☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Metric tons

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

58871

(7.26.9) Emissions in metric tonnes of CO2e

21907

(7.26.10) Uncertainty (±%)

0

(7.26.11) Major sources of emissions

The main sources of Scope 3 GHG emissions include (1) select raw materials (2) transportation of raw materials, finished goods and waste, (3) Upstream emissions of fuel and energy consumed, and (4) employee commuting.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Since the allocation is done based on the share of product sold to the customer in the total production of the identified Units, all sources of significant GHG sources applicable for the Units have been included. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic Carbon Dioxide (CO2) emissions and GHG removals, in accordance with ISO 14064-1. The Scope 3 GHG inventory of 2024-25 has been verified by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6) for GHG emissions and CO2 for GHG sequestration.

(7.26.14) Where published information has been used, please provide a reference

Total GHG emissions at ITC has been verified by a third party and available in the ITC's Sustainability Report 2025 (refer pages 292-295). ITC's emissions inventory is available on page 295 This report can be accessed at https://www.itcportal.com/sustainability/itc-sustainability-report-2025/itc-sustainability-report-2025.pdf
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

☑ Diversity of product lines makes accurately accounting for each product/product line cost ineffective

(7.27.2) Please explain what would help you overcome these challenges

Customer specific sub-metering for monitoring of relevant activity data would facilitate in more accurate allocation of emissions to product variants sold to specific customers.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:
☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

ITC has already deployed enterprise-wide Integrated Sustainability Data Management System (ISDMS) to capture performance data. This data is also assured by KPMG Assurance and Consulting Services, LLP to reasonable level to provide confidence to the stakeholders. The assurance statement is included in the Sustainability & Integrated report 2024 which is published in the website. ITC intends to work with the customers to improve accuracy of GHG monitoring such as through sub-metering as compared to the current allocation method. As the amount of products sold to the customers compared to the total saleable production of relevant ITC factories increases over time, investment in such customer specific sub-metering may be considered.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ Yes
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

3441093

(7.30.1.3) MWh from non-renewable sources

3239434

(7.30.1.4) Total (renewable + non-renewable) MWh

6680527.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

15877

(7.30.1.3) MWh from non-renewable sources

225917

(7.30.1.4) Total (renewable + non-renewable) MWh

241794.00

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

50878

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable + non-renewable) MWh

50878.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

226010

(7.30.1.4) Total (renewable + non-renewable) MWh

226010.00

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

3733858

(7.30.1.3) MWh from non-renewable sources

3465351

(7.30.1.4) Total (renewable + non-renewable) MWh

7199209.00
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ Yes

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

3441093

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

189206

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

3251887

(7.30.7.8) Comment

None

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

None

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

None

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

2866124

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

61780

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

2804344

(7.30.7.8) Comment

None

Oil

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

220847

(7.30.7.3) MWh fuel consumed for self-generation of electricity

15069

(7.30.7.4) MWh fuel consumed for self-generation of heat

205778

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

None

Gas

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

152463

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

152463

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

None

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

0

(7.30.7.8) Comment

None

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

6680527

(7.30.7.3) MWh fuel consumed for self-generation of electricity

15069

(7.30.7.4) MWh fuel consumed for self-generation of heat

609227

(7.30.7.7) MWh fuel consumed for self- cogeneration or self-trigeneration

6056231

(7.30.7.8) Comment

None
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

1196967

(7.30.9.2) Generation that is consumed by the organization (MWh)

1196967

(7.30.9.3) Gross generation from renewable sources (MWh)

723039

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

723039

Heat

(7.30.9.1) Total Gross generation (MWh)

5709570

(7.30.9.2) Generation that is consumed by the organization (MWh)

5709570

(7.30.9.3) Gross generation from renewable sources (MWh)

2944064

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

2944064

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ India

(7.30.14.2) Sourcing method

Select from:
☑ Heat/steam/cooling supply agreement

(7.30.14.3) Energy carrier

Select from:
☑ Steam

(7.30.14.4) Low-carbon technology type

Select from:
☑ Sustainable biomass

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

50878

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ India

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2010

(7.30.14.10) Comment

This is the year of commissioning of the first biomass boilers supplying steam to ITC

Row 2

(7.30.14.1) Country/area

Select from:

☑ India

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

24.16

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ India

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2010

(7.30.14.10) Comment

The year of commissioning is based on the implementation of open access rules to source electricity from renewable suppliers other than the utility company.

Row 3

(7.30.14.1) Country/area

Select from:

☑ India

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify :Purchased from Exchange and retail green tariff

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5695

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ India

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

This is based on the preferential tariff charged by the electricity distribution company for supplying renewable electricity. Information on the source of renewable power plant is not shared by the electricity distribution company.

Row 4

(7.30.14.1) Country/area

Select from:

☑ India

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

10158

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ India

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2017

(7.30.14.10) Comment

ITC has bought i-REC from the wind power plants supplying renewable electricity to the grid. These power plants are commissioned from the year 2009 to 2017. Through the purchase of i-REC, ITC is supporting these projects by providing additional incentive for the renewable component as well, which is over and above of the sale of electricity. For this question, the year of commissioning of most recent project is mentioned.

Row 5

(7.30.14.1) Country/area

Select from:

☑ Nepal

(7.30.14.2) Sourcing method

Select from:

☑ Default delivered electricity from the grid (e.g. standard product offering by an energy supplier) from a grid that is 95% or more low-carbon and where there is no mechanism for specifically allocating low-carbon electricity

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Large hydropower (>25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

4902

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Nepal

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

Grid mix of Nepal is primarily based on hydro electricity.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

India

(7.30.16.1) Consumption of purchased electricity (MWh)

236893

(7.30.16.2) Consumption of self-generated electricity (MWh)

1196403

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

50878

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

5704037

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

7188211.00

Nepal

(7.30.16.1) Consumption of purchased electricity (MWh)

4902

(7.30.16.2) Consumption of self-generated electricity (MWh)

564

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

5533

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10999.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000017

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1264521

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

742360700000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

17.4

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

☑ Change in boundary

(7.45.9) Please explain

GHG intensity has improved from last year due to (1) Renewable energy measures taken such as installation of biomass boilers, new solar power plants etc. (2) Energy efficiency measures across the board resulting in reducing energy requirements and corresponding emissions. This reduction is despite the increasing manufacturing footprint.

Row 2

(7.45.1) Intensity figure

0.684483154

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1264521

(7.45.3) Metric denominator

Select from:

☑ metric ton of product

(7.45.4) Metric denominator: Unit total

1847410

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

11.5

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

☑ Change in boundary

(7.45.9) Please explain

GHG intensity has improved from last year due to (1) Renewable energy measures taken such as installation of biomass boilers, new solar power plants etc. (2) Energy efficiency measures across the board resulting in reducing energy requirements and corresponding emissions. This reduction is despite the increasing manufacturing footprint. ITC is a conglomerate with multiple businesses spanning from Papers, packaging, cigarettes, branded packaged foods, personal care, stationery, matches and agarbattis with different unit of measurement across businesses (for example in paper it is tonne of paper produced whereas it is number of cigarette sticks and volume of shampoo or cream produced in personal care etc). For reporting on this indicator all products measured in weight terms are added (manufacturing these products cover over 99% of production in terms of tonnage and over 95% of ITC's GHG emissions). Products with other Units of measurement are not considered in the denominator.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Waste

(7.52.2) Metric value

76000

(7.52.3) Metric numerator

Post consumed plastic waste channelised

(7.52.4) Metric denominator (intensity metric only)

Not applicable as it is not an intensity metric

(7.52.5) % change from previous year

9

(7.52.6) Direction of change

Select from:
☑ Increased

(7.52.7) Please explain

In 2024-25, ITC collected and sustainably managed more than 76,000 MT of post-consumer plastic waste as compared to more than 70,000 tonnes in 2023-24.

Row 2

(7.52.1) Description

Select from:
☑ Land use

(7.52.2) Metric value

6464

(7.52.3) Metric numerator

GHG Removals (kilo tonnes of CO2)

(7.52.4) Metric denominator (intensity metric only)

Not applicable as it is not an intensity metric

(7.52.5) % change from previous year

14

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

While working towards constantly reducing its emissions and greening its energy portfolio, ITC also seeks to increase carbon sequestration by expanding forestry projects on wastelands. In 2024-25, ITC's Social and Farm Forestry Initiative resulted in GHG removals of 6,464kilo tonnes of CO2 as compared to 5,670 kilo tonnes of CO2 in 2023-24. ITC's Social and Farm Forestry Initiative has greened over 1.3 million acres till date, and generated about 240 million-person days of employment for rural households, including poor tribal and marginal farmers. Though the sequestration amount has reduced, the actual area under the programme has increased by 150,000 acres.

Row 3

(7.52.1) Description

Select from:

☑ Waste

(7.52.2) Metric value

111

(7.52.3) Metric numerator

Total waste recycled and channelising recycling

(7.52.4) Metric denominator (intensity metric only)

Total waste generated

(7.52.5) % change from previous year

0.1

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

In 2024-25, ITC has been able to recycle about 111% of waste generated as compared to 112% in 2023-24.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Intensity target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, but we are reporting another target that is science-based

(7.53.1.5) Date target was set

03/31/2020

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

03/30/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

1223352

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

139963

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1363315.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2028

(7.53.1.55) Targeted reduction from base year (%)

10

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

1226983.500

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

1105192

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

159329

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1264521.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

72.47

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

The absolute reduction of 10% by 2028 in scope 1,2 emissions is based on the trajectory in line with following goals: – Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. – Meeting 100% of purchased grid electricity requirements from renewable sources by 2030. – Reducing specific energy consumption by 30% and specific GHG emissions by 50% by 2030 as compared to a FY 2018-19 baseline. This target was re-calculated following the demerger of Hotels Business into ITC Hotels Limited, a separate listed company. The absolute reduction in scope 1, 2 emissions is expected to accompany the achievement of above goals. Business growth assumptions have also been taken into account as part of this goal. The goal covers all ITC units across businesses including FMCG, Packaging, Paperboards & Specialty Papers and Agri-Business. The emissions in 2024-25 have decreased from previous year. This is due to higher utilization of renewable energy (both thermal and electrical) and energy efficiency measures taken across the Businesses. Some of the key highlights include: - ITC has been investing in renewable electricity assets (both wind and solar) which has now reached a total capacity of 174MW. It has replaced electricity from grid with renewable. - ITC has significantly scaled up its investments in biomass by replacing/retrofitting existing boilers to biomass one. For example, ITC's paper business has invested in high pressure recovery boiler that burn lignin (black liquor) and replaced some of the steam generated from coal based boilers. - ITC has been investing in various energy efficiency measures such as Vapour Absorption Machines (VAM), energy efficient motors, fans, chillers etc.

(7.53.1.83) Target objective

To achieve the target, ITC has plans to improve its energy efficiency and investment in renewable energy. Businesses are continuously investing in energy efficiency measures annually towards achieving 2030 goals - Enhancing the share of renewable energy usage to 50% of total energy consumption, and meeting 100% of purchased grid electricity requirements from renewable sources. In addition, ITC is investing in renewable energy assets to meet the Sustainability 2.0 goals on renewable energy. For renewable electricity, ITC has plans in place to invest in both onsite as well as offsite renewable electricity power plants to meet the electricity requirements for ITC. ITC's total installed capacity has now reached to 174MW. For renewable thermal, ITC has been investing in replacing existing fossil fuel boilers with renewable ones. Though the emissions have increased from previous year, the larger plan on decarbonization is on track and progressing as planned.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

As part of its Sustainability 2.0 ambitions, ITC is targeting a 50% reduction in Specific GHG Emissions (% Reduction in Scope 1 & 2 emission per Unit of Production) by 2030. Accordingly, actions are being undertaken to reduce greenhouse gas emissions by investing in energy efficiency and increasing share of renewable energy. Energy efficiency: All ITC Units focus on energy efficiency through process improvements and investment in new technologies. Over the years, ITC has implemented measures like installation of Vapour Absorption Machines (VAM), Automation in tube cleaning system of Heating, Ventilation and Air Conditioning (HVAC), installation of variable frequency drive for pumps, blowers etc. and installation of energy efficient equipment such as chillers, AHUs, motors, fans, pumps, and agitators. In FY 2024-25, the investments in energy conservation equipment have resulted in energy savings of about 40 TJ, which is equivalent to over 5,000 tonnes of GHG emissions in the year. In line with ITC's focus on accelerating digitalisation across Businesses, ITC's PSPD is implementing several transformative projects leveraging Industry 4.0 technologies across key business areas, to enhance productivity, reduce carbon footprint, achieve strategic cost efficiencies and superior product performance. Some of the major projects undertaken by ITC's PSPD as part of its Digital Transformation Programme include process debottlenecking and throughput improvement for productivity and Overall Equipment Effectiveness (OEE), process capability improvement leading to reduction in defects and resource optimisation. Renewable energy: ITC has invested in renewable energy projects, for both renewable electricity and renewable thermal requirements. In line with ITC's continuous thrust on expanding renewable footprint across both thermal and electrical energy, this achievement was driven by the commissioning of state-of-the-art and future-ready High Pressure Recovery Boiler at the Bhadrachalam mill of the Company's Paperboards & Specialty Papers Business which replaced conventional soda recovery boilers thereby reducing carbon footprint through lower coal consumption. Similar investments of biomass boilers were also undertaken in Foods, Cigarette and Personal Care Businesses. In addition to this, ITC has installed and commissioned 174 MW of solar and wind power capacity across the country to meet its electrical energy requirements. These investment led to ITC's RE share of 52%.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

01/23/2025

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

03/30/2024

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

1131289

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

176582

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1307871.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2051

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

1105192

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

159329

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1264521.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

3.31

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

This target will cover entire Scope 1 and Scope 2 (Market based) GHG emissions. As part of its Sustainability 2.0 (S2.0) vision, ITC is progressing towards meeting its 2030 climate goals. At the same time, the Company is enhancing its long-term climate-related goals by committing to achieve 'Net Zero Operations' by 2050 which will entail decarbonisation of its Scope 1 and Scope 2 emissions i.e., electrical and thermal energy-related emissions in own operations. Additionally, the Company will continue to collaborate with its extended ecosystem for facilitating decarbonisation of Scope 3 emissions across the value chain (with a focus on agri value chains, logistics and contract manufacturing) as well as setting up systems for monitoring Scope 3 emissions in line with emerging standards. Further, ITC's diverse Businesses are also working towards developing their Net Zero roadmaps covering Scope 1, 2 & 3 emissions.

(7.53.1.83) Target objective

As part of its Sustainability 2.0 (S2.0) vision, ITC is progressing towards meeting its 2030 climate goals. At the same time, the Company is enhancing its long-term climate-related goals by committing to achieve 'Net Zero Operations' by 2050 which will entail decarbonisation of its Scope 1 and Scope 2 emissions i.e., electrical and thermal energy-related emissions in own operations. Additionally, the Company will continue to collaborate with its extended ecosystem for facilitating decarbonisation of Scope 3 emissions across the value chain (with a focus on agri value chains, logistics and contract manufacturing) as well as setting up systems for monitoring Scope 3 emissions in line with emerging standards. Further, ITC's diverse Businesses are also working towards developing their Net Zero roadmaps covering Scope 1, 2 & 3 emissions.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

ITC has enhanced its long-term climate-related goals by committing to achieve 'Net Zero Operations' by 2050 which will entail decarbonisation of its Scope 1 and Scope 2 emissions i.e., electrical and thermal energy-related emissions in own operations. ITC has prepared a roadmap for achieving this target that include medium-term (2030) and long-term (2050) actions: Medium-term (2030) actions: • Achieve S2.0 2030 targets including sourcing 100% of grid purchased electricity from renewable sources • Continued adoption of biomass boilers in FMCG & pulp & paper operations • Enhance efficiency through heat recovery & digital decarbonisation initiatives • Pilot key technologies like Thermal Energy Storage in pulp & paper operations Long-term (2030) actions: • Continue to scale up renewable energy adoption in line with business expansion • Integrate storage solutions like Battery Energy Storage System (BESS) with existing RE assets • Upscale pilots of key technologies such as largescale biomass and electric boilers in pulp & paper operations • Adopt electrical baking and biogas in Foods business • Engage with ecosystem players including startups, academia to advance novel/ breakthrough decarbonisation technologies • Neutralize any residual emissions through credible & high integrity projects Enabling ecosystem for 'Net Zero Operations': • Access to commercially viable technologies at scale, for: − Achieving Round-the-Clock zero emission electricity, such as Battery energy storage, small modular reactors (nuclear), and − Electrifying / Decarbonizing thermal requirements, specifically in the pulp

& paper and foods Businesses, such as thermal energy storage, electrical baking, large scale biomass boilers • Regional availability of sustainably sourced biofuels such as biomass briquettes or biogas

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.2.5) Date target was set

03/31/2020

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per unit revenue

(7.53.2.12) End date of base year

03/30/2019

(7.53.2.13) Intensity figure in base year for Scope 1

0.000002772

(7.53.2.14) Intensity figure in base year for Scope 2

3.17e-7

(7.53.2.33) Intensity figure in base year for all selected Scopes

0.0000030890

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

03/30/2028

(7.53.2.56) Targeted reduction from base year (%)

42

(7.53.2.57) Intensity figure at end date of target for all selected Scopes

0.0000017916

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

10

(7.53.2.60) Intensity figure in reporting year for Scope 1

0.00000149

(7.53.2.61) Intensity figure in reporting year for Scope 2

2.1e-7

(7.53.2.80) Intensity figure in reporting year for all selected Scopes

0.0000017000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

107.06

(7.53.2.83) Target status in reporting year

Select from:

☑ Achieved and maintained

(7.53.2.85) Explain target coverage and identify any exclusions

The above is based on the trajectory in line with following goals: – Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. – Meeting 100% of purchased grid electricity requirements from renewable sources by 2030. – Reducing specific energy consumption by 30% and specific GHG emissions by 50% by 2030 as compared to a FY 2018-19 baseline. The goal covers all ITC units across businesses - FMCG, Packaging, Paperboards & Specialty Papers and Agri-Business. The aggregation was done based on revenues. All Businesses progressing towards meeting the above targets. 53%, 27% and 12% reduction in specific GHG emissions (2024-25 Vs. 2018-19) across Foods, Paper and Cigarette Businesses.

(7.53.2.86) Target objective

The above is based on the trajectory in line with following goals: – Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. – Meeting 100% of purchased grid electricity requirements from renewable sources by 2030. – Reducing specific energy consumption by 30% and specific GHG emissions by 50% by 2030 as compared to a FY 2018-19 baseline. The goal covers all ITC units across businesses - FMCG, Packaging, Paperboards & Specialty

Papers and Agri-Business. The aggregation was done based on revenues. All Businesses progressing towards meeting the above targets. 53%, 27% and 12% reduction in specific GHG emissions (2024-25 Vs. 2018-19) across Foods, Paper and Cigarette Businesses.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.53.2.89) List the emissions reduction initiatives which contributed most to achieving this target

To achieve the target, ITC has plans to improve its energy efficiency and investment in renewable energy. Businesses are continuously investing in energy efficiency measures annually towards achieving 2030 goals - Enhancing the share of renewable energy usage to 50% of total energy consumption, and meeting 100% of purchased grid electricity requirements from renewable sources. Energy efficiency investment in the current year: Some of the energy conservation measures adopted across the Company are outlined below: I. Retrofitting of boiler to reduce power consumption in fans and fuel handling system in Paper Business. II. Installation of static electricity discharge nets in Air Handling Units (AHUs) to eliminate electrostatic disturbance thereby improving heat transfer efficiency in Foods Business. III. Installation of Automatic Tube Cleaning System (ATCS) to reduce scaling thereby improving chiller efficiency in Packaging and Printing Business. IV. Installation of air preheater and thermic booster systems in Packaging and Printing Business. V. Installation of closed loop condensate recovery system in Foods Business. VI. Installation of thermo-compressor in Agri Business. VII. Installation of Variable Frequency Drives (VFDs) for various pumps, agitators, blowers, and chillers across Businesses. VIII. Replacement of air conditioners, chiller, cooling tower, battery chargers, transformer, UPS, motors, agitator, blower, fans and pumps with higher efficiency ones across Businesses. IX. Improvement in energy usage efficiency in lighting systems by changing over to efficient lighting solutions such as Light Emitting Diodes (LEDs) across Businesses. X. Process improvements to enhance productivity and reduce specific energy consumption across Businesses. These investments have resulted in energy savings of over 40 TJ during the year. Renewable energy measures: Some of the renewable energy initiatives undertaken during the year are as follows: I. Commissioning of 10.8 MWp onsite solar PV power plants across ITC Units. II. Commissioning of biomass boiler in the newly built personal care factory in West Bengal. III. Continued use of renewable electricity from existing wind/solar power plants and utilization of biomass in existing biomass boilers across Businesses. Above measures helped ITC increase its RE capacity to 174 MW and helped ITC reach RE share of 52%.
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

☑ Other climate-related targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

03/31/2020

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ All energy carriers

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

03/30/2019

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

2647108.59

(7.54.1.9) % share of low-carbon or renewable energy in base year

40.9

(7.54.1.10) End date of target

03/30/2031

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

50

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

52

(7.54.1.13) % of target achieved relative to base year

121.98

(7.54.1.14) Target status in reporting year

Select from:

☑ Achieved and maintained

(7.54.1.16) Is this target part of an emissions target?

As a part of its 2030 Goals, ITC aims to enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. The above target is based on the trajectory in line with this goals. This has been included in the absolute emission reduction target reported in 4.1a - abs 1.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

The above is based on the trajectory in line with following goals:– Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. ITC aims to increase the investment in energy efficiency measures that reduces the overall energy consumption (to reduce the denominator) and increase the investments in renewable energy for enhancing the overall share of renewable energy. During the year, ITC has invested INR 189.257 Millions in energy conservation measures, and made investments in additional solar PV projects. ITC also continued using electricity from wind and solar power plants, usage of biomass boilers to increase the renewable energy. The company also utilises biogas generated from the biogas digesters in kitchen. Current S2.0 target cover ITC owned Unit only. ITC also encourages to its subsidiaries, joint ventures and associate companies to take similar targets.

(7.54.1.20) Target objective

The above is based on the trajectory in line with following goals:– Enhancing the share of renewable energy usage to 50% of total energy consumption by 2030. This target is aimed at increasing ITC's investment in both energy efficiency and renewable energy measures. Energy efficiency reduces energy requirements (to reduce the denominator of renewable energy share) and increase the investments in renewable energy (to enhance the overall share of renewable energy or numerator of renewable energy share). This increase in renewable energy share will help ITC towards it decarbonization journey and helping reduce its climate transition risk.

(7.54.1.22) List the actions which contributed most to achieving this target

Towards this target, ITC has been continuously investing in energy efficiency measures. In 2024-25, ITC invested INR 158.4 million that resulted in savings of 40TJ in that year itself. Similar investments will continue in the coming years as well. ITC has also been building its portfolio of renewable energy assets. During the year, additional solar PV plant of total capacity of 10.8MWp were built across ITC Units. With this investment ITC's total renewable electricity capacity is scaled up to 174MW. In addition to own capacity, ITC is also building partnerships on sourcing renewable electricity through PPAs or supporting renewable electricity projects by purchasing RECs. On renewable thermal, ITC has been investing in biomass boilers and building biomass value chains through various partnerships.
[Add row]

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

03/31/2020

(7.54.2.3) Target coverage

Select from:
☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Land use change
☑ hectares afforested

(7.54.2.7) End date of base year

03/30/2019

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

03/30/2031

(7.54.2.10) Figure or percentage at end of date of target

600000

(7.54.2.11) Figure or percentage in reporting year

534185

(7.54.2.12) % of target achieved relative to base year

89.0308333333

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

No. The above figures are for area covered by forestry initiative only. Increasing the area covered under the forestry initiatives does sequester emissions in value chain.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

None

(7.54.2.19) Target objective

Objective of ITC's forestry programmes was for promoting sustainable forests management practices in the value chain, and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

During the year, 53,4185 hectares of plantations with ~62,000 hectares of plantation being added during the year that resulted in ~6.4 million tonnes CO2 sequestered. ITC plans to scale up this initiative further to achieve this target.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

01/23/2025

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1
☑ Abs2

(7.54.3.5) End date of target for achieving net zero

03/30/2051

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

(7.54.3.10) Explain target coverage and identify any exclusions

This target will cover entire Scope 1 and Scope 2 (Market based) GHG emissions. As part of its Sustainability 2.0 (S2.0) vision, ITC is progressing towards meeting its 2030 climate goals. At the same time, the Company is enhancing its long-term climate-related goals by committing to achieve 'Net Zero Operations' by 2050 which will entail decarbonisation of its Scope 1 and Scope 2 emissions i.e., electrical and thermal energy-related emissions in own operations. Additionally, the Company will continue to collaborate with its extended ecosystem for facilitating decarbonisation of Scope 3 emissions across the value chain (with a focus on agri value chains, logistics and contract manufacturing) as well as setting up systems for monitoring Scope 3 emissions in line with emerging standards. Further, ITC's diverse Businesses are also working towards developing their Net Zero roadmaps covering Scope 1, 2 & 3 emissions.

(7.54.3.11) Target objective

As part of its Sustainability 2.0 (S2.0) vision, ITC is progressing towards meeting its 2030 climate goals. At the same time, the Company is enhancing its long-term climate-related goals by committing to achieve 'Net Zero Operations' by 2050 which will entail decarbonisation of its Scope 1 and Scope 2 emissions i.e., electrical and thermal energy-related emissions in own operations. Additionally, the Company will continue to collaborate with its extended ecosystem for facilitating decarbonisation of Scope 3 emissions across the value chain (with a focus on agri value chains, logistics and contract manufacturing) as well as setting up systems

for monitoring Scope 3 emissions in line with emerging standards. Further, ITC's diverse Businesses are also working towards developing their Net Zero roadmaps covering Scope 1, 2 & 3 emissions.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

The farm forestry programme by ITC's Paper Business was started for promoting sustainable forests management practices in the value chain, and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming. Based on the efforts taken during the year, more than 1.3 million acres of plantations with more than 153,000 acres of plantation being added during the year that resulted in ~6.4 million tonnes CO2 sequestered. Data on GHG sequestration has been assured by an external agency, M/s KPMG Assurance and Consulting Services LLP.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

The farm forestry programme by ITC's Paper Business was started for promoting sustainable forests management practices in the value chain, and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming. Based on the efforts taken during the year, more than 1.3 million acres of plantations with more than 153,000 acres of plantation being added during the year that resulted in ~6.4 million tonnes CO2 sequestered. Data on GHG sequestration has been assured by an external agency, M/s KPMG Assurance and Consulting Services LLP.

(7.54.3.17) Target status in reporting year

Select from:

☑ New

(7.54.3.19) Process for reviewing target

Net Zero Operations by 2050, being a corporate commitment, is being reviewed similar to existing S2.0 targets. The Chairman is the Chief Executive of the Company and Board chair. He also heads (as Chair) to the Corporate Management Committee (CMC), CSR & Sustainability Committee, Risk Management Committee (RMC), among others. Primary role of Chairman, as Chair to the above committees, is to provide leadership and strategic directions. Responsibility of CSR & Sustainability Committee is to review, monitor and provide strategic direction to Company's CSR/Social Investments Programme and sustainability practices. This include reviewing performance of S2.0 targets such as Climate Smart agriculture, watershed management and biodiversity conservation programmes etc. and approving corresponding budget. For many of these targets, investments/actions are required from the Businesses as per the plans they have submitted earlier. Implementation of these plans were monitored by the CEO of the respective Businesses and their respective Divisional Committee. Remuneration policy covering achievement of S2.0 targets: As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favorable business results and achievement of ESG objectives of the enterprise including climate change targets and plans. Incentives for senior management will also be linked to the financial performance of the Business etc. including achievement of ITC's 2030 goals under Sustainability 2.0. This includes key KPI's on climate change for own factories, e.g. renewable energy, and for value chain, e.g. sustainable agriculture. ITC's 2030 also covers aspects such as water use efficiency, rainwater harvesting potential etc. Performance is evaluated on both short term i.e. current year's performance and performance over three year period, as well as long-term, i.e. execution of strategy and direction for meeting long-term/2030 goals (ITC's 2030 Goals). Apart from fixed elements of remuneration and benefits/perquisites, the Chairman & Managing Director, Executive Directors, Key Managerial Personnel and Senior Management.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*0*	*`Numeric input*
To be implemented	*57*	*142000*
Implementation commenced	*21*	*5000*
Implemented	*58*	*5000*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5000

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1
☑ Scope 2 (location-based)
☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

45500000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

158400000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

None
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal incentives/recognition programs

(7.55.3.2) Comment

As per ITC's Remuneration Policy, Remuneration is linked to stakeholder value creation, financially favourable business results and achievement of ESG objectives of the enterprise including climate change targets and plans. Incentives for senior management will also be linked to the financial performance of the Business etc. including achievement of ITC's 2030 goals under Sustainability 2.0. This includes key KPI's on climate change for own factories, e.g. renewable energy, and for value chain, e.g. sustainable agriculture. ITC's 2030 also covers aspects such as water use efficiency, rainwater harvesting potential etc. Performance is evaluated on both short term performance, i.e. current year's performance and performance over three year period, as well as long-term, i.e. execution of strategy and direction for meeting long-term/2030 goals (ITC's 2030 Goals).Apart from fixed elements of remuneration and benefits / perquisites, the Chairman & Managing Director, Executive Directors, Key Managerial Personnel and Senior Management are eligible for Performance Bonus which is linked to their individual performance and the overall performance of the Company which also includes ESG milestones covering climate change related targets and plans. Board-approved Sustainability Policies ITC has adopted a comprehensive set of Board approved Sustainability Policies that are being implemented across the organization. Sustainability policies covering relevant climate related issues include policies on: Resource Efficiency, Biodiversity Conservation, Deforestation, Sustainable Supply Chains and Responsible Sourcing, Product Responsibility, and Environment, Health and Safety. All ITC Units have appropriate systems and processes in place to ensure implementation of ITC's Board approved Sustainability Policies. Unit level managers/employees receive recognition for their contribution towards implementation of above policies. Additionally, company-wide innovation programmes for sourcing ideas on sustainability are organized from time to time.
[Add row]

(7.68) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Select from:

☑ Yes

(7.68.1) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Row 1

(7.68.1.1) Management practice reference number

Select from:

☑ MP4

(7.68.1.2) Management practice

Select from:

☑ Diversifying farmer income

(7.68.1.3) Description of management practice

One of ITC's major focus areas is to ensure livelihood and income security for farmers in its value chain and around its areas of operation. To this end, ITC's Agri Business and the Social Investments Programme work on mechanisms to ensure the dominant sources of income are sustainable for farming communities. The idea is to make them more secure, climate-resilient and economically stable. Based on the crop and location, large-scale interventions on agricultural productivity enhancement, income augmentation/enhancing non-farm income, value added crops, creation of financial support mechanisms as well as market linkages have been implemented across the country. ITC has two programmes: On-farm diversification through tree-based farming comprising of fruit, fuel, timber and other commercial purpose plantations done in small farmer friendly plantation models such as (Agro-forestry, Block and Bund plantations) to improve income from farms. • Off-farm diversification through animal-based livelihood promotion (small and large ruminants; piggery, apiaries and fisheries) to improve income and de-risk livelihoods of rural households.

(7.68.1.4) Your role in the implementation

Select all that apply

☑ Financial

☑ Knowledge sharing

☑ Operational

(7.68.1.5) Explanation of how you encourage implementation

ITC has collaborated with Knowledge Partnerships with national & international organisations / agencies in order to remain contemporary and access the latest knowledge / technical know-how to continuously improve the quality of programmes. ITC has partnered with National Dairy Research Institute (NDRI), Kalyani, West Bengal for strengthening livelihood through livestock development and training of Pashu Sakhi cadres. Also, ITC partnered with Agricultural Institutes like Tamil Nadu Agricultural University (TNAU), Indian Institute of Rice Research (IIRR), Indian Institute of Soya Research (IISR), ICAR-Agricultural Technology Application Research Institute (ATARI), Kanpur, Dr. Rajendra Prasad Central Agricultural University, Pusa and district level Krishi Vigyan Kendras (KVK). ITC's on farm diversification of income from social forestry planted in the area of 528,000 acres and off-farm diversification of income from animal based livelihood has covered 890,000 households. In addition, ITC has linked 4.2 Million farmers to Govt. schemes in areas of credit, insurance, soil health etc. In addition, ITC has also promoted farmer institutions like Farmer Producer Organizations (FPO) and Agri Business Centre (ABC) to leverage collective bargaining and access farm equipment. ITC has helped about 1850 ABCs and 2,050 FPOs.

(7.68.1.6) Climate change related benefit

Select all that apply

☑ Increasing resilience to climate change (adaptation)

(7.68.1.7) Comment

None

Row 2

(7.68.1.1) Management practice reference number

Select from:

☑ MP3

(7.68.1.2) Management practice

Select from:

☑ Knowledge sharing

(7.68.1.3) Description of management practice

ITC has adopted a holistic approach of "Integrated Crop Engagement" covering aspects on pest management and crop management practices to ensure that the product meets stringent global food safety standards. The Agri Business also scaled up its Integrated Crop Management (ICM) programme, thereby enhancing its ability to produce food safe spices in a sustainable manner. Crops such as chilli, cumin, turmeric, celery, coffee and mangoes were covered under Rain Forest Alliance (RFA), Global GAP and Fairtrade certifications. Several of these crops are also certified as organic under Indian and US standards. Under these certifications, the farms are audited regularly to verify that farmers are compliant to the standard's comprehensive requirements, which require continuous improvement on the journey to sustainable agriculture. In FY 2024-25, around 6,557 acres of coffee raw materials under UEBT & RA joint herbs & spices programme covering Chilli, Cumin, Celery, and Turmeric crops. In FY 2024-25, 1,849 acres of Chilli were certified under Global G.A.P. The Good Agriculture Practices (GAP) programme addresses environmental, economic, and social sustainability for on-farm processes, and results in safe and quality farm produce. Fairtrade certification endorses that the Agri produce meet defined environmental, labour, and developmental standards. In FY 2024-25, close to 955 acres of Mango area were covered under Fairtrade certification. In FY 2024-25, 2710 acres of Mango and 1374 acres of Spices (Chilli, Turmeric, Cumin) area were certified under organic farming. Similarly, around 14,682 acres of area under Cereals (Wheat, Paddy, Soybean, Maize, Gram, Pigeon Pea, Mustard) and around 2181 acres under Spices (Chilli, Cumin, Fennel) are under Organic conversion.

(7.68.1.4) Your role in the implementation

Select all that apply

☑ Financial

☑ Knowledge sharing

☑ Operational

☑ Procurement

(7.68.1.5) Explanation of how you encourage implementation

ITC encourages farmers to participate and implement the programme by providing continuous support. ITC leverages its digital platform to reach farmers. e-Choupal 4.0 app, one to one phone calls from call center and WhatsApp groups was created to ensure uninterrupted crop advisory, pertaining to crop production, post-harvest care which included drying, sorting, grading and packing. Personalized information was disseminated to the farmers based on their crop stage. The solution included a dedicated content management team that governs the flow of information to the farmers and provides access to a range of information related to weather, good agricultural practices, and timely recommendations on pest and disease management. Field staff who were present in project villages started visiting farms of their respective villages on a regular basis, to guide farmers on best practices, adhering to the Government norms of lockdown and directives of Covid safety precautions. The Chilli PPP programme has attracted various institutions, private players, input companies & suppliers and International organizations like IDH in supporting farmers. The Sustainable Trade Initiative, IDH is a social enterprise promoting sustainable trade in global value chains. The various partnership adopts the principle of cluster approach enabling implementation of contemporary technologies, infra and practices supporting livelihoods. The programme is also deploying various high-end technologies & interventions like: - Quality assaying for better price realization- Video based extension & education system- Drone based spraying solutions and remote sensing to improve agri extension productivity, with win-win outcome to all the stakeholders of agri ecosystem.

(7.68.1.6) Climate change related benefit

Select all that apply

☑ Emissions reductions (mitigation)

☑ Increasing resilience to climate change (adaptation)

☑ Reduced demand for fossil fuel (adaptation)

☑ Reduced demand for fertilizers (adaptation)

☑ Reduced demand for pesticides (adaptation)

(7.68.1.7) Comment

None

Row 3

(7.68.1.1) Management practice reference number

Select from:

☑ MP1

(7.68.1.2) Management practice

Select from:

☑ Reducing energy use

(7.68.1.3) Description of management practice

ITC's Leaf Tobacco Business is promoting a three-pronged approach to energy conservation and ensuring sustainable fuel management in tobacco curing. This entails introduction of fuel efficient technologies, promotion of self-sustenance through energy plantations and use of alternative fuels. → Energy conservation measures (Barn Roof Insulation and turbo ventilators), which can reduce nearly 27% of the energy requirement during curing, are being deployed on a large scale, spanning 41,251 barns to date in Andhra Pradesh and Karnataka. In addition, nearly 200 farmers were supported with 'Venturi Furnace', which helps improve fuel efficiency during the year. The Business is promoting the adoption of Smart Curing technology by the farmers, which saves around 40% fuel in curing and substantially reduces labour requirements during tobacco post-harvest management. The technology uses digital sensors and a control panel to make tobacco curing user-friendly, efficient, and environmentally sustainable. To date, 112 smart curing barns have been deployed across tobacco-growing regions. → To embrace a self-sustaining model for fuel sourcing, ITC has taken up energy plantations that have covered 2.29 lakh acres to date. Grow Your Fuel models are deployed, wherein farmers are encouraged to grow trees for energy wood on farm bunds and agro-forestry models. The energy plantation programme is also being reinforced by establishing a Chain of Custody from the wood production source to consumption at the farm level. → Encouraging farmers to use alternate fuels from crop residues like coffee husk, coffee stems, coconut fronds, and eucalyptus roots.

(7.68.1.4) Your role in the implementation

Select all that apply

☑ Knowledge sharing

☑ Operational

☑ Procurement

(7.68.1.5) Explanation of how you encourage implementation

The overall objective of the programme is to reduce the value chain footprint of leaf tobacco and build a more climate resilient value chain. To encourage implementation, ITC supports its suppliers through: - Adequate training and capacity building of suppliers.- Supporting overall development of local areas through its Model Village Programme spread across 484 villages in the leaf tobacco catchment area. The programme aims to create a sustainable production system and a

resilient farmer base for leaf tobacco. This is done through creation of economically, ecologically and socially sustainable villages in leaf tobacco operating zone. The bouquet of interventions focusing on sustainable agriculture and agri-tech solutions help in enhancing supplier competitiveness, thereby generating an economic surplus for them. Additionally, for overall community development, ITC acts as a catalyst in the creation as well as implementation of a village development plan covering critical needs like health, education and rural infrastructure. - Introducing new technologies like Loose Leaf Barn that not only helps in reducing emissions but also in managing energy and labour costs. All these activities ensure compliance to global standards like STP (Sustainable Tobacco Programme).

(7.68.1.6) Climate change related benefit

Select all that apply

☑ Emissions reductions (mitigation)

☑ Increasing resilience to climate change (adaptation)

☑ Increase carbon sink (mitigation)

☑ Reduced demand for fossil fuel (adaptation)

(7.68.1.7) Comment

None

Row 4

(7.68.1.1) Management practice reference number

Select from:

☑ MP2

(7.68.1.2) Management practice

Select from:

☑ Afforestation

(7.68.1.3) Description of management practice

At Bhadrachalam, ITC's largest paper mill, majority of the pulp is produced from wood sourced from ITC's Social and Farm Forestry Programme. The programmes focus on creating commercially viable land use options for smallholder farmers through tree-based farming to diversify incomes from land while fostering food, fodder and fuelwood security. Effective extension services, knowledge of silvicultural practices and technical guidance - on planting till harvest - is provided by ITC to the

growers. Our extensive Afforestation Programme has created a green cover of over 1.3 million acres, supporting 240 million person-days of employment for farmers while creating a sustainable and competitive fibre chain for ITC as well as providing high-quality raw material for ITC's notebooks. Though the Company stands as a willing buyer of the wood from the plantations under its Social Forestry programme, the farmers are free to transact at will and sell to whoever they choose.The programme is closely aligned to the 'National Agro-forestry Policy, 2014', which emphasises improvement in productivity; employment, income and livelihood opportunities, especially for the smallholder farmers, through agroforestry.Agro Forestry continued to be given emphasis, accounting for 100% of area under eucalyptus. Given the sizeable area under agro-forestry, and to drive improvement in farm economics from intercrops, ITC continued its efforts to improve productivity of intercrops cultivated along with trees. It also contributes to ITC's carbon sequestration efforts. In 2024-25, ITC's Social and Farm Forestry Initiative resulted in GHG removals of 6,464 kilo tonnes of CO2. ITC's Paper business has committed to Forest Stewardship Council (FSC) principles and has got its pulpwood plantations and supply chain certified under FSC®. In addition to the above, the ITC's Social and Farm Forestry initiative, through a multiplier effect, has led to improvement in pulpwood and fuelwood availability across multiple Indian States - Andhra Pradesh, Telangana, Karnataka, Chhattisgarh and Odisha.

(7.68.1.4) Your role in the implementation

Select all that apply

☑ Financial

☑ Knowledge sharing

☑ Operational

☑ Procurement

(7.68.1.5) Explanation of how you encourage implementation

In order to encourage implementation, the programme design entails several direct benefits to farmers. These include: - ITC assists farmers to have profitable plantations, assisting them with high-yielding saplings specially developed by ITC R&D to grow in harsh conditions. - Afforestation Programme has created a green cover of over 1.3 million acres, supporting over 240 million person-days of employment for farmers while creating a sustainable and competitive fibre chain for ITC as well as providing high-quality raw material for ITC's notebooks - ITC's social forestry programme is aimed at working with marginalised farmers to improve their well-being. - Forestry Groups are formed through which they get loans, subsidised clonal stock, as well as technical support and training. There is a particular focus on Scheduled Tribe and Scheduled Caste households - who are generally among India's most economically and socially marginalised groups. Agroforestry, one of LSTC's key expertise, involves working on productivity improvement of trees by using contemporary research tools for Eucalyptus, Casuarina, Corymbia, and Subabul species. LSTC has established different cutting-edge tools and platforms for improving tree and crop species of interest to ITC for desired traits like yield, quality, abiotic and biotic stress for securing the raw material to various Businesses of ITC given the rising challenges of climate change and depleting resources. Ongoing research has major emphasis on developing climate resilient crops and pulp wood species. As an example, in the past 5 years more than 1 crore saplings of new hybrids with >20% higher wood yields have been deployed in farmers' fields. This should lead to secured raw material supply to business while ensuring better farm income and enhanced carbon sequestration.

(7.68.1.6) Climate change related benefit

Select all that apply

☑ Emissions reductions (mitigation)
☑ Increasing resilience to climate change (adaptation)
☑ Increase carbon sink (mitigation)

(7.68.1.7) Comment

None
[Add row]

(7.68.2) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Select from:
☑ Yes

(7.70) Do you know if any of the management practices mentioned in 7.68.1 that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Select from:
☑ Yes

(7.70.1) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Row 1

(7.70.1.1) Management practice reference number

Select from:
☑ MP3

(7.70.1.2) Overall effect

Select from:

☑ Positive

(7.70.1.3) Which of the following has been impacted?

Select all that apply

☑ Biodiversity

☑ Soil

☑ Water

☑ Yield

(7.70.1.4) Description of impacts

The Biodiversity Risk and Opportunity Assessment (BROA) tool was deployed by ITC's Agri Business Division in its core crop growing regions to identify impacts and dependencies of business operations on biodiversity of a given agricultural landscapes. Analysis of tobacco growing areas in proximity to protected areas and recognised high biodiversity value areas was carried out in collaboration with Indian Institute of Forest Management (IIFM), Bhopal, in Karnataka and Andhra Pradesh. Biodiversity Management Plan (BMP) to guide farmers in limiting impact and enhancing biodiversity value of farms and surrounding areas is being planned in coordination with key stakeholders. ITC undertakes its social interventions through its Social Investments Programme (SIP). The stakeholders residing in catchments of factory locations and agri-business value chains are covered in these programmes. ITC's community-centric biodiversity conservation is implemented to sustain agriculture and rural livelihoods and benefit the rural communities which depend on the ecosystem services offered by nature and the local biodiversity for their livelihoods. ITC implements community driven biodiversity conservation through adoption of Nature Based Solutions which is also an integral component for supporting climate resilient agriculture. ITC focusses on biodiversity conservation at landscape level by restoring degraded village commons, promoting plantation of native species, and reducing pressures on forests. Restoration of village commons is currently the major component and the work includes, social protection by communities, soil & moisture conservation to expedite in-situ native root stock regeneration, improve green cover and carbon sequestration. These plots also act as hosts to insects and birds beneficial to agriculture. In highly degraded patches where in-situ regeneration is not possible, trees of native species are planted. In addition to above, ITC has several programmes on managing the biodiversity impact especially in agriculture. ITC has several programmes promoting sustainable agricultural practices covering areas such as micro-irrigation, agro-chemical management, soil protection and conservation, energy conservation etc.

(7.70.1.5) Have any response to these impacts been implemented?

Select from:

☑ Yes

(7.70.1.6) Description of the response(s)

-The farmers strictly follow the standards principles of sustainable farming, which includes Biodiversity conservation, improved livelihoods and human well-being and natural resource conservation. With support from ITC, the farmers in Andhra Pradesh, Karnataka, Rajasthan and Punjab undertook effective planning and farm management systems that benefit communities, forests, native vegetation, ecosystem services and wildlife. -ITC has adopted a holistic approach of "Integrated Crop Engagement" covering aspects on pest management and crop management practices to ensure that the product meets stringent global food safety standards. -The Agri Business also scaled up its Integrated Crop Management (ICM) programme, thereby enhancing its ability to produce food safe spices in a sustainable manner.

Row 2

(7.70.1.1) Management practice reference number

Select from:

☑ MP1

(7.70.1.2) Overall effect

Select from:

☑ Positive

(7.70.1.3) Which of the following has been impacted?

Select all that apply

☑ Biodiversity

☑ Soil

☑ Water

(7.70.1.4) Description of impacts

Zero-Deforestation ITC Agri-Business is committed to ensuring 'Zero Deforestation' across the leaf tobacco value chain. The Business has focused on the twin strategy of a) reducing fuel wood requirement in tobacco curing by promoting Energy Conservation barns and b) promoting energy planation in the supply chain by engaging with the farming community, Community Based Organisations (CBOs), Non- Governmental Organisations (NGOs), research institutions and Government departments. These initiatives have reduced the total wood requirement for tobacco curing and has also enhanced wood sustainability in tobacco growing area. Reducing wood requirement: Energy Conservation Barns with roof insulation and turbo ventilators reduces fuel requirement by 27% and they have been scaled up to 42,501 barns in Karnataka and Andhra Pradesh. SMART curing barns which reduce fuel requirement by 40% have been scaled up to 126 units. Promoting energy plantation: To promote a self-sustaining model for wood sourcing, an initiative for behavioural change among farming community to Grow Own Fuel (GOF) in their own fields following agro-forestry models is being carried out. This is part of an overall programme on Energy Plantations. The initiative has been cumulatively scaled up to 257,000 acres till date through Energy Plantations. Proximity analysis to Key Biodiversity Areas (KBAs): Analysis of tobacco growing areas in proximity to

protected areas and recognised high biodiversity value areas was carried out in collaboration with Indian Institute of Forest Management (IIFM), Bhopal, in Karnataka and Andhra Pradesh. Biodiversity Management Plan (BMP) to guide farmers in limiting impact and enhancing biodiversity value of farms and surrounding areas is being planned in coordination with key stakeholders.

(7.70.1.5) Have any response to these impacts been implemented?

Select from:

☑ Yes

(7.70.1.6) Description of the response(s)

To embrace a self-sustaining model for fuel sourcing, ITC has taken up energy plantations that have covered 2.29 lakh acres to date. ITC also encourages planting of trees and encouraging farmers to use alternate fuels for curing like coffee husk, coffee stems, coconut fronds and biomass briquettes.To address its water risks in the tobacco supply chain, ITC carries out continuous risk-assessments and implements interventions as part of its holistic two pronged approach involving both demand-side management to improve irrigation efficiency and supply-side management involving revival of traditional water harvesting and recharge structures in areas of cultivation. Some of the interventions on demand-side management for tobacco include:• Climate appropriate seeds, developed with extensive R&D, to suit the region's specific climatic requirements;• Sub soiling to improve root penetration and water-holding capacity of the soil;• Biological interventions such as green manuring, mulching and vermicomposting to improve soil organic content and water-holding capacity;• Tray Seedling technique to reduce water usage in the nursery (up to 30%);• Drip irrigation for improved irrigation efficiency;• Smart irrigation technology, which determines water requirement of plants in real time and automates irrigation without manual intervention, using soil moisture sensors and cloud technology. This precision farming method has potential to reduce water and energy requirements by 50% and improve farm productivity by 10%. Large scale trials promoting contemporary technologies such as drones for spraying which reduces water usage up to 90% when compared to conventional spraying are also under way.These interventions are currently deployed in the major crop growing regions of Andhra Pradesh and Karnataka and progressively cover more and more farmers every year.Due to the impact of climate change, we expect the water stress in our tobacco procurement regions to further increase in the future. However, our current strategies are designed to build resilience in the value chain. Additionally, we are in the process of assessing climate risks in our key value chains through climate modelling, which will provide further insights in strengthening our interventions.

Row 3

(7.70.1.1) Management practice reference number

Select from:

☑ MP2

(7.70.1.2) Overall effect

Select from:

☑ Positive

(7.70.1.3) Which of the following has been impacted?

Select all that apply

☑ Biodiversity

☑ Soil

☑ Water

(7.70.1.4) Description of impacts

ITC's Paper Business has committed to Forest Stewardship Council (FSC) principles and has got its pulpwood plantations and supply chain certified under FSC. ITC has the distinction of being the first in India to have obtained the Forest Stewardship Council-Forest Management (FSC-FM) certification, which confirms compliance with the highest international benchmarks of plantation management across the dimensions of environmental responsibility, social benefit and economic viability. All four manufacturing Units of the PSPD have obtained the FSC® Chain of Custody certification and have complied with all the requirements during the year, thereby sustaining ITC's position as the leading supplier of FSC® – certified paper and paperboards in India. ITC's social and farm forestry programme has greened 1.3 Million acres and sequestered 6,464 kilo tonnes of CO2.

(7.70.1.5) Have any response to these impacts been implemented?

Select from:

☑ Yes

(7.70.1.6) Description of the response(s)

To date, ITC has received Forest Stewardship Council® - Forest Management (FSC®-FM) certification for over 1.49 lakh acres of plantations involving over 25,000 farmers, as per which all rare, threatened, and endangered species are conserved in the areas considered under the scope of certification. It also assures that methods for enhancing the biodiversity potential of the planted areas, like retention of old growth / snag trees, retention of large woody debris, creation of water bodies, agro-chemical management, etc., are being practiced. During the year, 485,000 tonnes of FSC®-certified wood were procured from these certified plantations.

Row 4

(7.70.1.1) Management practice reference number

Select from:

☑ MP3

(7.70.1.2) Overall effect

Select from:

☑ Positive

(7.70.1.3) Which of the following has been impacted?

Select all that apply

☑ Biodiversity

☑ Soil

☑ Water

☑ Yield

(7.70.1.4) Description of impacts

ITC's Agri Business Division has undertaken biodiversity risk assessment in its core crop growing regions to identify impacts and dependencies of business operations on biodiversity of a given agricultural landscapes. Based on the risks identified, ITC's programmes on micro-irrigation, agro-chemical management, soil protection and conservation, energy conservation etc. were introduced. Crops such as chilli, cumin, turmeric, celery, coffee and mangoes were covered under Rain Forest Alliance (RFA), Global GAP and Fairtrade certifications. Several of these crops are also certified as organic under Indian and US standards. Under these certifications, the farms are audited regularly to verify that farmers are compliant to the standard's comprehensive requirements, which require continuous improvement on the journey to sustainable agriculture. In FY 2024-25, around 6,557 acres of coffee raw materials under UEBT & RA joint herbs & spices programme covering Chilli, Cumin, Celery, and Turmeric crops. In FY 2024-25, 1,849 acres of Chilli were certified under Global G.A.P. The Good Agriculture Practices (GAP) programme addresses environmental, economic, and social sustainability for on-farm processes, and results in safe and quality farm produce. Fairtrade certification endorses that the Agri produce meet defined environmental, labour, and developmental standards. In FY 2024-25, close to 955 acres of Mango area were covered under Fairtrade certification. In FY 2024-25, 2710 acres of Mango and 1374 acres of Spices (Chilli, Turmeric, Cumin) area were certified under organic farming. Similarly, around 14,682 acres of area under Cereals (Wheat, Paddy, Soybean, Maize, Gram, Pigeon Pea, Mustard) and around 2181 acres under Spices (Chilli, Cumin, Fennel) are under Organic conversion.

(7.70.1.5) Have any response to these impacts been implemented?

Select from:

☑ Yes

(7.70.1.6) Description of the response(s)

The farmers strictly follow the standards principles of sustainable farming, which includes Biodiversity conservation, improved livelihoods and human well-being and natural resource conservation. With support from ITC, the farmers in Andhra Pradesh, Karnataka, Rajasthan and Punjab undertook effective planning and farm management systems that benefit communities, forests, native vegetation, ecosystem services and wildlife.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:
☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:
☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:
☑ Climate Bonds Taxonomy

(7.74.1.3) Type of product(s) or service(s)

Pulp and paper
☑ Other, please specify :Recycled paperboard

(7.74.1.4) Description of product(s) or service(s)

As part of its Sustainability 2.0 vision, ITC takes a holistic approach towards enabling the circular economy for waste by focusing on the entire waste value chain. This approach is visible in different value chains including paper. ITC has created replicable, scalable and sustainable models of municipal solid waste management that can be implemented across the country to ensure that zero waste goes to landfill. 'Well-Being Out of Waste' (WOW) is one amongst such models that focuses on diverting dry waste towards appropriate recycling channels. Waste paper collected from this programme is diverted towards paper recycling mills including that of ITC at Kovai. ITC also continue to work on improving the quality of such recycled paper through its R&D initiatives and offering innovative solutions. ITC's range of solutions based on recycled paper is available at https://www.itcpspd.com/Product/Paperboards/Coated-Recycled-Boards ITC's Kovai Paper Mill utilised nearly 85,000 tonnes of external waste paper as raw material in FY 2024-25.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Gate-to-gate

(7.74.1.8) Functional unit used

metric tonne of paperboard produced

(7.74.1.9) Reference product/service or baseline scenario used

To arrive at avoided emissions, the difference between the emissions intensity of virgin paper mill and recycled paper mill is compared. ITC's Paperboard business has both recycled paper based paper mill at Kovai and virgin fiber paper mill at Bhadrachalam. The avoided emissions is calculated as the difference between the emissions intensity of both the mills.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Gate-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.391

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

To arrive at avoided emissions, the difference between the emissions intensity of virgin paper mill and recycled paper mill is compared. ITC's Paperboard business has both recycled paper based paper mill at Kovai and virgin fiber paper mill at Bhadrachalam. The avoided emissions is calculated as the difference between the emissions intensity of both the mills. Mill-wise revenues are not reported. Therefore, in revenue section, share of revenue from the paper business in ITC's overall revenue is reported. A part of this revenue is derived from sale of recycled paperboards manufactured at Kovai.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

9

[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☑ No

C8. Environmental performance - Forests

(8.1) Are there any exclusions from your disclosure of forests-related data?

	Exclusion from disclosure
Timber products	*Select from:* ☑ No

[Fixed row]

(8.2) Provide a breakdown of your disclosure volume per commodity.

	Disclosure volume (metric tons)	Volume type	Sourced volume (metric tons)
Timber products	*2401846*	*Select all that apply* ☑ Sourced	*2401846*

[Fixed row]

(8.5) Provide details on the origins of your sourced volumes.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ India

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Indian states- Karnataka, Andhra Pradesh, Telengana, Odisha, Chattisgarh

(8.5.4) Volume sourced from country/area of origin (metric tons)

2176546

(8.5.5) Source

Select all that apply

☑ Independent smallholders

☑ Company-affiliated smallholders

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

(8.5.7) Please explain

The sourcing of timber and wood volumes for ITC's businesses is carefully managed to ensure sustainability and compliance with legal and environmental standards. During the reporting period, the curing wood utilised in the tobacco sourced by ITC's Agribusiness was around 260,093 metric tonnes, originating locally from India. The timber supply is secured through a combination of energy plantations grown on tobacco farmers' own farmlands, plantations cultivated on fellow farmers' lands, and fuelwood vendors who procure wood from plantation owners. This diversified approach ensures that sourcing is predominantly from renewable and sustainably managed plantations, thereby minimizing pressure on natural forests. ITC's Paper business also sources pulpwood which is covered in the disclosure volume. Approximately 1.9 million metric tonnes of wood is sourced primarily from farmers across Telangana, Andhra Pradesh, Karnataka, Odisha, and Chhattisgarh, as well as from Forest Development Corporations in Telangana and Andhra Pradesh. The sourcing strategy is regionally stratified to promote sustainability and supply chain resilience: ~ 400,000 metric tonnes are procured within 50 kilometers of the mill (Critical Core Area), ~500,000 metric tonnes within 200 kilometers (Core Area), and ~1,100,000 metric tonnes from up to 800 kilometers away (Non-Core Area). This approach supports local communities, reduces transportation-related emissions, and

ensures compliance with sustainable forest management principles. Overall, ITC sourced approximately 2,401,846 MT of timber and pulp in the reporting year, with 2,176,546 MT of timber sourced from within the country, and ~223,000 tonnes of pulp imported.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Canada

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key regions in Canada - British Columbia, Alberta and Quebec.

(8.5.4) Volume sourced from country/area of origin (metric tons)

64500

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Brazil

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Regions in Brazil- Sao Paulo

(8.5.4) Volume sourced from country/area of origin (metric tons)

21300

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Sweden

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key regions in Sweden- Varmland, Vaggeryd, Northern Sweden, Götaland

(8.5.4) Volume sourced from country/area of origin (metric tons)

57100

(8.5.5) Source

Select all that apply
☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:
☑ Chile

(8.5.2) First level administrative division

Select from:
☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Regions in Chile- Biobio

(8.5.4) Volume sourced from country/area of origin (metric tons)

43350

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Finland

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Regions in Finland- Kemi

(8.5.4) Volume sourced from country/area of origin (metric tons)

23100

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ New Zealand

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Regions in New Zealand- Napier

(8.5.4) Volume sourced from country/area of origin (metric tons)

12000

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Portugal

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Sourced from mills of known origin in Portugal. All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

(8.5.4) Volume sourced from country/area of origin (metric tons)

2000

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Viet Nam

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Sourced from mills of known origin in Vietnam. All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

(8.5.4) Volume sourced from country/area of origin (metric tons)

400

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Indonesia

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Sourced from mills of known origin in Indonesia. All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

(8.5.4) Volume sourced from country/area of origin (metric tons)

300

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Germany

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Key Regions in Germany- Stendal, Westfalen

(8.5.4) Volume sourced from country/area of origin (metric tons)

1250

(8.5.5) Source

Select all that apply

☑ Trader/broker/commodity market

(8.5.7) Please explain

All the suppliers from which ITC procures pulp are FSC-COC certified, and the pulp procured is either FSC Controlled wood, FSC Recycled or FSC mix origin.
[Add row]

(8.7) Did your organization have a no-deforestation or no-conversion target, or any other targets for sustainable production/ sourcing of your disclosed commodities, active in the reporting year?

Timber products

(8.7.1) Active no-deforestation or no-conversion target

Select from:

☑ Yes, we have a no-conversion target

(8.7.2) No-deforestation or no-conversion target coverage

Select from:

☑ Organization-wide (including suppliers)

(8.7.5) Other active targets related to this commodity, including any which contribute to your no-deforestation or no-conversion target

Select from:

☑ Yes, we have other targets related to this commodity
[Fixed row]

(8.7.1) Provide details on your no-deforestation or no-conversion target that was active during the reporting year.

Timber products

(8.7.1.1) No-deforestation or no-conversion target

Select from:
☑ No-conversion

(8.7.1.2) Your organization’s definition of “no-deforestation” or “no-conversion”

ITC aims to source commodities exclusively from lands that have not been converted from natural ecosystems—including forests, grasslands, and wetlands or other land uses, as mentioned in its Board-approved Policy on Deforestation. This means that ITC strictly avoids sourcing from any land that experienced ecosystem conversion, thereby ensuring that its procurement activities do not contribute to deforestation or loss of natural habitats or conversion as defined by AFi.

(8.7.1.3) Cutoff date

Select from:
☑ 2020

(8.7.1.4) Geographic scope of cutoff date

Select from:
☑ Applied globally

(8.7.1.5) Rationale for selecting cutoff date

Select from:
☑ Legal requirements

(8.7.1.6) Target date for achieving no-deforestation or no-conversion

Select from:
☑ 2025
[Add row]

(8.7.2) Provide details of other targets related to your commodities, including any which contribute to your no-deforestation or no-conversion target, and progress made against them.

Timber products

(8.7.2.1) Target reference number

Select from:
☑ Target 1

(8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

Select from:
☑ Yes, this target contributes to our no-conversion target

(8.7.2.3) Target coverage

Select from:
☑ Organization-wide (direct operations only)

(8.7.2.4) Commodity volume covered by target (metric tons)

Select from:
☑ Disclosure volume

(8.7.2.5) Category of target & Quantitative metric

Engagement with smallholders
☑ Number of smallholders engaged

(8.7.2.8) Date target was set

03/31/2016

(8.7.2.9) End date of base year

03/30/2017

(8.7.2.10) Base year figure

96000

(8.7.2.11) End date of target

03/30/2025

(8.7.2.12) Target year figure

190000

(8.7.2.13) Reporting year figure

190000

(8.7.2.14) Target status in reporting year

Select from:

☑ Achieved

(8.7.2.15) % of target achieved relative to base year

100.00

(8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Kunming-Montreal Global Biodiversity Framework

☑ Sustainable Development Goals

☑ Planetary Boundaries

(8.7.2.17) Explain target coverage and identify any exclusions

Coverage: Organisation-wide. The Social Forestry programme for smallholder farmers has cumulatively greened over 528,000 acres of area in the reporting year, benefitting 190,000 households, most of whom are small and tribal community farmers till date. Yearly targets are undertaken for the Social Forestry programme, aiming to increase the area covered. Beneficiaries covered by the Social Forestry Programme in FY 2016-17, which is the baseline for ITC S2.0 Ambitions, was ~96,000.

(8.7.2.19) List the actions which contributed most to achieving or maintaining this target

Social forestry, involves tree plantations for pulp, energy, and other commercial uses, and offers an effective means to diversify income, restore degraded lands, and contribute to environmental sustainability. Studies indicate that agroforestry systems, including social forestry, help improve soil health, increase carbon sequestration, and provide a steady income stream, particularly for smallholder farmers. 1. Pulpwood and Energy plantations are promoted at scale to help farmers realise the market opportunities available in their catchments and to meet their own wood requirements. 2. Considering the interests of small farmers, plantations are done through agro-forestry and bund plantation models, both of which enable cultivation of trees and crops together, thus ensuring incomes, and also contributing to food & wood security for the nation. 3. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), wherein during the year, 890 farmers got about ₹ 42 lakhs as FSC® premium in addition to regular wood income. Impact: The Social Forestry programme has greened over 37,300 acres, benefitting over 10,500 households during the year, thus, cumulatively covering over 528000 acres impacting 190,000 households, most of whom are small and tribal community farmers. ITC's Farm and Social forestry programmes have together covered over 1.3 million acres till date.

(8.7.2.20) Further details of target

This target is organisation-wide, and for the reporting year FY 2024-25
[Add row]

(8.8) Indicate if your organization has a traceability system to determine the origins of your sourced volumes and provide details of the methods and tools used.

Timber products

(8.8.1) Traceability system

Select from:

☑ Yes

(8.8.2) Methods/tools used in traceability system

Select all that apply

☑ Chain-of-custody certification

☑ Value chain mapping

☑ Supplier engagement/communication

☑ Internal traceability system

(8.8.3) Description of methods/tools used in traceability system

For Pulpwood, ITC has established a traceability system of entire wood sourced right from plantation location (land and ownership document of growers) to harvesting and transport documents up to the mill. The Due-diligence system covers the following: 1. Identification of plantation farmers and the technical support provided by field managers basis their consent of supply 2. Authorised aggregators (suppliers) who harvest and supply the wood from said plantations to the mill 3. Payment made to the farmers and service providers/ transporters as well as requisite taxes to the Government in entire value chain. 4. Ensuring plantations are grown on land legally owned by the growers by verifying their land documents Additionally, ITC's Paperboards and Specialty Papers Business is committed to Forest Stewardship Council® (FSC®) principles. All timber procured by ITC is FSC® certified (either FSC®-FM, Controlled Wood or COC). FSC® third party certification system helps trace all the entities including trading of pulp and production of pulp, paper and paper board. ITC has also implemented a robust traceability system to track the origin of timber volumes used in tobacco curing, ensuring compliance with sustainability standards and zero deforestation commitments. A Simple Random Sampling method, with a 95% confidence interval, is employed to identify and assess wood sources from farmers. This statistical approach ensures transparency and reliability in data collection. Each selected farmer provides declarations and documentation confirming the source of their wood, which may include own plantations, plantations of fellow farmers and wood vendors. Moreover, in India tobacco crop being highly regulated, the Government authorised tobacco auction board ensures and discloses that 100% of the tobacco grown in the regions (from where ITC procures) is deforestation and conversion free. Furthermore, a detailed study on forest cover change and wood sufficiency was conducted in collaboration with ICFRE-IWST (Institute of Wood Science & Technology) for tobacco-growing areas of the Mysuru region, Karnataka. This study informed the wood supply-demand dynamics, allowing for projections-based planning.
[Fixed row]

(8.8.1) Provide details of the point to which your organization can trace its sourced volumes.

Timber products

(8.8.1.1) % of sourced volume traceable to production unit

80

(8.8.1.2) % of sourced volume traceable to sourcing area and not to production unit

20

(8.8.1.3) % sourced volume traceable to country/area of origin and not to sourcing area or production unit

0

(8.8.1.4) % of sourced volume traceable to other point (i.e., processing facility/first importer) not in the country/area of origin

0

(8.8.1.5) % of sourced volume from unknown origin

0

(8.8.1.6) % of sourced volume reported

100.00
[Fixed row]

(8.9) Provide details of your organization's assessment of the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of its disclosed commodities.

Timber products

(8.9.1) DF/DCF status assessed for this commodity

Select from:
☑ Yes, deforestation- and conversion-free (DCF) status assessed

(8.9.2) % of disclosure volume determined as DF/DCF in the reporting year

100

(8.9.3) % of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance

100

(8.9.4) % of disclosure volume determined as DF/DCF through monitoring of production unit

80

(8.9.5) % of disclosure volume determined as DF/DCF through monitoring of sourcing area

20

(8.9.6) Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?

Select from:
☑ No
[Fixed row]

(8.9.1) Provide details of third-party certification schemes used to determine the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of the disclosure volume, since specified cutoff date.

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Forest management unit/Producer certification
☑ FSC Forest Management certification

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

19.15

(8.9.1.3) Comment

Around 24% of the domestic wood consumed (~459,948 MT) by ITC is FSC®-FM certified, which amounts to 19.15% of disclosure volume. Till date, ITC has received FSC®-FM certification for close to 165,000 acres of plantations involving around 26,337 farmers

(8.9.1.4) Certification documentation

ITC FSC Certificates and Public Summary Documents [Combined].pdf

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Forest management unit/Producer certification

☑ FSC Controlled Wood

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

60.64

(8.9.1.3) Comment

Approximately 76% of domestic wood procured (~1.4 million MT) by ITC's Paper Business from plantations is FSC®- Controlled Wood certified. This amounts to 60.64% of disclosure volume.

(8.9.1.4) Certification documentation

ITC FSC Certificates and Public Summary Documents [Combined].pdf

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Chain-of-custody certification

☑ FSC Chain-of-Custody certification (any type)

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

9.38

(8.9.1.3) Comment

ITC's Paper business ensures pulp imported by ITC is deforestation-free. Therefore, ITC has FSC® COC certification to ensure FSC® certified wood is procured from external suppliers. This amounts to 9.38% of disclosure volume (~225,300 MT).

(8.9.1.4) Certification documentation

ITC FSC Certificates and Public Summary Documents [Combined].pdf

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Forest management unit/Producer certification

☑ Other forest management/producer certification, please specify :STP (Sustainable Tobacco Programme)

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

10.83

(8.9.1.3) Comment

Timber utilised for tobacco curing constitutes 10.83% (~260,093MT) of total disclosure volume. STP Programme: Regions from which ITC procures leaf tobacco are all covered under due diligence systems either as part of customer audits, or through internationally recognised programmes such as STP (Sustainable Tobacco Programme). By facilitating supply chain due diligence, STP helps members and participants identify risks, prioritize actions, and pursue paths for positive change for

sustainable development in tobacco growing communities worldwide. STP includes eight themes and aims to be aligned with internationally recognized frameworks. Suppliers are encouraged to promote the sustainable use of ecosystems and prevent deforestation and land conversion. For example, UN Sustainable Development Goals, UN Guiding Principles on Business and Human Rights and FAO-OECD Guidelines for Sustainable Agriculture. ITC's Agri business also has an internal traceability system in place to track the origins of curing wood volumes, wherein a Simple Random Sampling method (at 95% confidence interval) is used to identify the farmers and establish their wood traceability. Declarations and documentations are obtained from these farmers on their wood source including own plantation, fellow farmers plantations and wood vendors. Additionally, a "Study on forest cover change and wood sufficiency" was carried out in collaboration with ICFRE - IWST (Institute of Wood Science & Technology) for tobacco growing areas of Mysuru regions, Karnataka. Key highlights of the study conducted by ICFRE - IWST (Institute of Wood Science & Technology): 1. The study covered Tobacco growing areas and its catchment districts (Referred as Mysuru region) in Karnataka state. 2. Forest Cover in Mysuru region has been stable and increased from 2019 to 2023 3. Tree Outside Forest (TOF) in Mysuru region has increased from 2019 to 2023 4. Based on the wood supply and demand assessment of Mysuru region a projected wood sufficiency value has been estimated Additionally, for the tobacco procured by ITC through Tobacco board of India, the Government of India assures through its Notification (attached) that: " No forest wood is used for tobacco curing and not involved in any cases of misue or illegal transport of forest wood"

(8.9.1.4) Certification documentation

cir90AP-Regn-Circularr_TobaccoBoardAssurance_DNV.pdf
[Add row]

(8.9.3) Provide details of production unit monitoring used to determine deforestation-free (DF) or deforestation- and conversion-free (DCF) status of volumes since specified cutoff date.

Timber products

(8.9.3.1) % of disclosure volume determined as DF/DCF through monitoring of production unit

80.00

(8.9.3.2) Production unit monitoring approach

Select all that apply
☑ Geospatial monitoring or remote sensing tool
☑ Ground-based monitoring system
☑ Community-based monitoring

(8.9.3.3) Description of production unit monitoring approach

ITC's Paper Business conducts due diligence, which covers identification of farmers who ITC supports in growing plantations, provides technical support and engagement details with farmers, authorised aggregators (suppliers) who harvest and supply the wood from said plantations to the mill as well as payment made to the farmers and service providers/ transporters as well as requisite taxes to the Government in entire value chain. Also, it covers that plantations are grown on land legally owned by the growers by verifying their land documents. All wood procured by Paper Business is deforestation free. It is either grown under agro forestry by the farmers on their legally owned agriculture land or it is grown by the Forest Development Corporations (a government entity) on the land allotted to them in 1980s and approved for raising and managing / harvesting plantations raised on those allocated lands on rotational basis as per their legally approved management plan.

(8.9.3.4) DF/DCF status verified

Select from:

☑ Yes

(8.9.3.5) Type of verification

Select all that apply

☑ First party

☑ Second party

☑ Third party

(8.9.3.6) % of your disclosure volume that is both determined as DF/DCF through monitoring of production unit and is verified as DF/DCF

100

(8.9.3.7) Explain the process of verifying DF/DCF status

For Pulpwood value-chain: 1. FSC-COC, CW and FM certifications ensure DF/DCF free status of pulpwood procured 2. Procuring wood from farmers covered under Social Forestry and Farm Forestry programmes
[Fixed row]

(8.9.4) Provide details of the sourcing area monitoring used to determine deforestation-free (DF) or deforestation- and conversion-free (DCF) status of volumes since specified cutoff date.

Timber products

(8.9.4.1) % of disclosure volume determined as DF/DCF through monitoring of deforestation and conversion within the sourcing area

20.00

(8.9.4.2) Monitoring approach used for determining that sourcing areas have no or negligible risk of deforestation or conversion

Select all that apply

☑ Independent studies

☑ Ground-based monitoring

☑ Third-party assessment tool

☑ Landscape or jurisdictional approaches

☑ Remote sensing or other geospatial data

☑ Collaborating with other organizations to develop and share risk profiles

(8.9.4.3) Description of approach, including frequency of assessment

ITC's Agri business has a traceability system in place to track the origins of timber volumes. Simple Random Sampling method (at 95% confidence interval) has been used to identify the farmers and established their wood traceability. Declarations and documentations are obtained from these farmers on their wood source including own plantation, fellow farmers plantations and wood vendors. Data for the wood procured from vendors is 100% mapped to state and sub-state (district) level. ITC's Agri tobacco business partnered with several customers to address key sustainability focus areas in tobacco growing regions. This included the Sustainable Tobacco Programme (STP 2.0) with annual reporting for & assessments by global major tobacco companies. Apart from group reporting, participation in 'Thrive' reporting with British American Tobacco (BAT), Reporting in 'Omina' for Phillip Morris and using the 'PLM – Leaf Care Tool' for Imperial Brands. The business also underwent Social Risk Monitoring Protocol (SRMP) and Monitoring Verification & Reporting (MVR) frameworks implementation assessment by third party on behalf of a premium customer. Frequency- Third party and second party audits are conducted annually. Additionally, ITC has also mapped the imported pulp (< 10% of disclosure volume) it sources to its sourcing region.

(8.9.4.4) Countries/areas of origin

Select all that apply

☑ India

(8.9.4.5) Sourcing areas

For Agri business, curing wood is mostly sourced from Karnataka & Andhra Pradesh.

(8.9.4.6) DF/DCF status is verified

Select from:

☑ Yes

(8.9.4.7) Type of verification

Select all that apply

☑ First party

☑ Second party

☑ Third party

(8.9.4.8) % of your disclosure volume that is both determined as DF/DCF through sourcing area monitoring and is verified as DF/DCF

100

(8.9.4.9) Explain the process of verifying DF/DCF status

For Tobacco Value-chain; the DF/DCF status is verified through multiple channels - third-party customer audits, Govt. affiliated platform ensures DF/DCF status as well, as well as scientific sampling and audits on ground. ITC's Agri Business has partnered with several customers to address key sustainability focus areas in tobacco growing regions. This included the Sustainable Tobacco Programme (STP 2.0) with annual reporting for & assessments by global major tobacco companies. Apart from group reporting, participation in 'Thrive' reporting with British American Tobacco (BAT), Reporting in 'Omina' for Phillip Morris and using the 'PLM – Leaf Care Tool' for Imperial Brands. The business also underwent Social Risk Monitoring Protocol (SRMP) and Monitoring Verification & Reporting (MVR) frameworks implementation assessment by third party on behalf of a premium customer. ITC ensures the sustainability and legality of its imported pulp through supplier code of conduct.

(8.9.4.11) Use of risk classification

Agri Business- Tobacco division partnered with several customers to address key sustainability focus areas on tobacco growing regions. This included the Sustainable Tobacco Programme (STP 2.0) with annual reporting for & assessments by global major tobacco companies. Apart from group reporting, participation in 'Thrive' reporting with British American Tobacco (BAT), Reporting in 'Omina' for Phillip Morris and using the 'PLM – Leaf Care Tool' for Imperial Brands. The business also underwent Social Risk Monitoring Protocol (SRMP) and Monitoring Verification & Reporting (MVR) frameworks implementation assessment by third party on behalf of a premium customer.
[Fixed row]

(8.10) Indicate whether you have monitored or estimated the deforestation and conversion of other natural ecosystems footprint for your disclosed commodities.

	Monitoring or estimating your deforestation and conversion footprint
Timber products	*Select from:* ☑ Yes

[Fixed row]

(8.10.1) Provide details on the monitoring or estimating of your deforestation and conversion footprint.

Timber products

(8.10.1.1) Monitoring and estimating your deforestation and conversion footprint

Select from:

☑ We monitor the deforestation and conversion footprint in our value chain

(8.10.1.2) % of disclosure volume monitored or estimated

100

(8.10.1.3) Reporting of deforestation and conversion footprint

Select all that apply

☑ Since a specified cutoff date

(8.10.1.4) Year of cutoff date

2020

(8.10.1.6) Known or estimated deforestation and conversion footprint since the specified cutoff date (hectares)

0

(8.10.1.9) Describe the methods and data sources used to monitor or estimate your deforestation and conversion footprint

All wood procured is either grown under agro forestry by the farmers on their legally owned agriculture land or it is grown by the Forest Development Corporations on the forest land allotted to them in 1980s and approved for raising and managing / harvesting plantations raised on throse allocated lands on rotational basis as per their legally approved management plan. ITC's due diligence system covers identification of farmers who ITC supports in growing plantations to technical support and engagement details with farmers, authorised aggregators (suppliers) who harvest and supply the wood from said plantations to the mill as well as payment made to the farmers and service providers/ transporters as well as requisite taxes to the Government in entire value chain. Also it covers that plantations are grown on land legally owned by the growers by verifying their land documents
[Add row]

(8.12) Indicate if certification details are available for the commodity volumes sold to requesting CDP Supply Chain members.

	Third-party certification scheme adopted	Certification details are available for the volumes sold to any requesting CDP Supply Chain members
Timber products	*Select from:* ☑ Yes	*Select from:* ☑ Yes

[Fixed row]

(8.12.1) Provide details of the certified volumes sold to each requesting CDP Supply Chain member.

	Comment (optional)
Row 1	*None of ITC's requesting CDP Supply chain members have sought disclosure on CDP Forest.*

[Add row]

(8.13) Does your organization calculate the GHG emission reductions and/or removals from land use management and land use change that have occurred in your direct operations and/or upstream value chain?

	GHG emissions reductions and removals from land use management and land use change calculated
Timber products	*Select from:* ☑ Yes, and willing to share details with requesting CDP Supply Chain members

[Fixed row]

(8.13.1) Provide details on the actions your organization has taken in its direct operations and/or upstream value chain that have resulted in reduced GHG emissions and/or enhanced removals.

Row 1

(8.13.1.1) Commodity

Select from:

☑ Timber products

(8.13.1.2) Description of actions

The farm forestry programme by ITC's Paper Business was started for promoting sustainable forests management practices in the value chain and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming.

(8.13.1.3) CO2e reductions and removals achieved from base year (metric tons CO2e)

6464015

(8.13.1.4) Base year

2018

(8.13.1.5) Emissions accounting boundary

Select from:

☑ Included in the corporate GHG inventory boundary

(8.13.1.6) Scope

Select from:

☑ Scope 3 (upstream)

(8.13.1.7) Emissions accounting methodology and standards

Select all that apply

☑ Corporate Value Chain (Scope 3) Standard

☑ ISO 14064-1:2018

(8.13.1.8) Explain calculation

GHG removals from plantations have been calculated based on the approved methodology used in ITC's UNFCCC registered CDM project '2241: Reforestation of severely degraded landmass in Khammam district of Andhra Pradesh, India under ITC Social Forestry Project.' The GHG inventory of ITC for FY 2023-24 compiled according to the ISO 14064 Standard has been assured, as in the earlier years, at the 'Reasonable Level' by an independent third party. The GHG inventory covers

emissions from ITC's operations and GHG removals from ITC's large-scale forestry programmes. ITC's Social and Farm Forestry initiatives, besides sequestering carbon from the atmosphere, help towards greening of degraded wasteland, prevent soil erosion, enhance organic matter content in soil and increase ground water recharge.
[Add row]

(8.14) Indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards, and provide details.

(8.14.1) Assess legal compliance with forest regulations

Select from:
☑ Yes, from suppliers

(8.14.2) Aspects of legislation considered

Select all that apply
☑ Labor rights
☑ Land use rights
☑ Environmental protection
☑ Human rights protected under international law
☑ Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting
☑ The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples

(8.14.3) Procedure to ensure legal compliance

Select all that apply
☑ Certification
☑ First party audits
☑ Ground-based monitoring
☑ Third party audits

(8.14.5) Please explain

ITC collaborates with farmers in implementing international sustainability certification and verification programmes such as Sustainable Tobacco Programme (STP 2.0), Thrive programme, and Compliance to Agriculture Labour Practices (ALP) Code, where the production practices are in alignment with defined environment and labour standards. Sustainable Tobacco Programme 2.0 is an industry initiative to enhance agricultural supply chain due diligence and accelerate positive impacts on environmental, social and governance elements. The programme focuses on 8 themes demanding leaf suppliers' commitment on – Water, Human Rights, Crop, Soil, Climate Change, Natural Habitats, Livelihoods and Governance. The Agri business organized independent due diligence studies in "Adarsh Grams" covering one of its Tobacco farm supply chain in the States of Andhra Pradesh and Karnataka. "Adarsh Gram" ensures Human Rights in the supply chain and focuses on building economic, environment and social capital in 484 villages of Andhra Pradesh & Karnataka impacting nearly 33,000 farmers. The framework for the Adarsh Gram study was adapted based on international standards, including the Sustainable Tobacco Programme (STP), OECD FAO Guidelines on Responsible Business Conduct in Agriculture, UN Sustainable Development Goals (SDGs), and ISO 26000:2010 Guidance on Social Responsibility. Apart from the Sustainable Tobacco Programme (STP 2.0), participation in 'Thrive' reporting with British American Tobacco (BAT), Reporting in 'Omina' for Phillip Morris and using the 'PLM – Leaf Care Tool' for Imperial Brands. The business also underwent Social Risk Monitoring Protocol (SRMP) and Monitoring Verification & Reporting (MVR) frameworks implementation assessment by third party on behalf of a premium customer. Additionally, Agri business conducted proximity analysis to identify Tobacco Growing Areas (TGA) in close proximity to Key Biodiversity Areas (KBA), and for the identified villages, it is planned to formulate a Biodiversity Management Plan (BMP) to create awareness among the local community on importance of Biodiversity, Good Agricultural Practices (GAP), Integrated Pest Management (IPM) etc. Additionally, ITC's Paperboards and Specialty Papers Business is committed to Forest Stewardship Council® (FSC®) principles. All wood procured by ITC is FSC (Forest Stewardship Council) - Forest Management and FDC- Controlled wood certified, enabling mapping and documentation of entire wood value chain which is third party certified on annual basis. ITC has established a traceability system of entire wood sourced right from plantation location (land and ownership document of growers) to harvesting and transport documents up to the mill. The Due-diligence system covers the following: 1. Identification of plantation farmers and the technical support provided by field managers basis their consent of supply 2. Authorised aggregators (suppliers) who harvest and supply the wood from said plantations to the mill 3. Payment made to the farmers and service providers/ transporters as well as requisite taxes to the Government in entire value chain. 4. Ensuring plantations are grown on land legally owned by the growers by verifying their land documents
[Fixed row]

(8.15) Do you engage in landscape (including jurisdictional) initiatives to progress shared sustainable land use goals?

	Engagement in landscape/jurisdictional initiatives
	Select from: ☑ Yes, we engage in landscape/jurisdictional initiatives

[Fixed row]

(8.15.1) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

(8.15.1.1) Criteria for prioritizing landscapes/jurisdictions for engagement

Select all that apply

- ☑ Risk of water stress
- ☑ Risk of biodiversity loss
- ☑ Commodity sourcing footprint
- ☑ Current and future sourcing risk
- ☑ Opportunity to build resilience at scale
- ☑ Organization has operational presence in area
- ☑ Supply of commodities strategically important
- ☑ Opportunity for increased human well-being in area
- ☑ Local government's commitment to sustainable land use
- ☑ Opportunity to protect and restore natural ecosystems
- ☑ Opportunity to increase market access for smallholders and local communities
- ☑ Risk of deforestation, forests/land degradation, or conversion of other natural ecosystems

(8.15.1.2) Explain your process for prioritizing landscapes/jurisdictions for engagement

ITC's Paperboard and Specialty Paper Division has identified priority locations for timber sourcing based on distance from the mill so that reduced distance/ emissions in transportation of wood can help the environment as well as reduce the cost of transportation. This also provides additional benefit to the growers (farmers) in terms of realising better farm gate price to improve their income. Priority locations identified are: area with 50 km of radius (critical core area-CCA) of the mill as well as within 200 km radius (core area-CA) of the mill. ITC engages with the farmers in these core areas through its Farm Forestry program. ITC's Agribusiness (Leaf Tobacco) also engages with the tobacco farmers who obtain or purchase wood for tobacco curing or barn construction from own plantations, fellow farmers plantations and fuel wood vendors. ITC encourages "Grow Own Fuel" model wherein plantation of tree species saplings is promoted on farmer fields to meet their wood requirement. These energy plantations are a part of the Social Forestry Program in collaboration with Social Investment Program of ITC. The energy plantations are carried out in landscapes where tobacco farmers reside. Moreover, ITC Agribusiness has also identified priority locations within the value-chain which are close to protected areas. And the business is additionally engaging with farmers in these villages to additionally create awareness on importance of Biodiversity, Good Agricultural Practices (GAP), Integrated Pest Management (IPM) etc. ITC's Farm and Social forestry programmes have together greened over 1.3 million acres till date.
[Fixed row]

(8.15.2) Provide details of your engagement with landscape/jurisdictional initiatives to sustainable land use during the reporting year.

Row 1

(8.15.2.1) Landscape/jurisdiction ID

Select from:

☑ LJ1

(8.15.2.2) Name of initiative

ITC's Social and Farm Forestry Programme

(8.15.2.3) Country/area

Select from:

☑ India

(8.15.2.4) Name of landscape or jurisdiction area

It is currently spread across 16 districts in six states including Karnataka, Andhra Pradesh, Telangana and Odisha covering 7,400 villages.

(8.15.2.6) Indicate if you can provide the size of the area covered by the initiative

Select from:

☑ Yes

(8.15.2.7) Area covered by the initiative (ha)

530138.66

(8.15.2.8) Type of engagement

Select all that apply

☑ Convener: Leads or facilitates the design, set-up, and high-level management of the initiative

(8.15.2.9) Engagement start year

2016

(8.15.2.10) Engagement end year

Select from:

☑ Not defined

(8.15.2.11) Estimated investment over the project period

48800000

(8.15.2.12) Landscape goals supported by engagement

Environmental

☑ Avoided deforestation/conversion of other natural ecosystems and/or decreased degradation rate

☑ Biodiversity protected and/or restored

☑ Ecosystem services maintained and/or enhanced

Social

☑ Income diversification amongst producers in area

☑ Improved business models that enable inclusion (including smallholders)

☑ Improved capacity for community engagement in multi-stakeholder processes

☑ Implementation of livelihood activities/practices that reduce pressure on forests

☑ Improved standard of living, especially for vulnerable and/or marginalized groups

☑ Ensuring local communities and smallholders benefit from the outcomes of landscape/jurisdictional initiative

Production

☑ Increased adoption of sustainable production practices (e.g., input use efficiency and water management practices)

☑ Increased uptake of certification

(8.15.2.13) Organization actions supporting initiative

Participate in planning and multi-stakeholder alignment

☑ Collaborate on establishing and managing monitoring system for deforestation, natural ecosystem conversion and/or degradation

☑ Collaborate on management/land use planning in the landscape/jurisdiction

☑ Collaborate to maintain representation from all relevant stakeholders within governance structure of initiative

Build community and multi-stakeholder capacities

☑ Engage stakeholders on importance of conservation, restoration and/or rehabilitation

Enhance government and capacity

☑ Support local governments (or equivalent) to enhance landscape governance structure, and provide them with resources to develop and implement sustainable landscape policies and/or management plan

Support and incentivize sustainable production and community land use practices

☑ Capacity building for farmers, smallholders and local communities to implement good agricultural practices (including improved efficiency, crop diversification and adoption of certification)

(8.15.2.14) Type of partners engaged in the initiative design and implementation

Select all that apply

☑ Private sector

☑ Local communities

☑ Indigenous peoples

☑ National government

☑ Sub-national government

☑ NGO and/or civil society

(8.15.2.15) Description of engagement

The Social Forestry programme include growing Pulp, Energy and Agarbatti Bamboo wood plantations at scale to help farmers realise the market opportunities available in their catchments and to meet their own wood requirements. Considering the interests of small farmers, plantations are done through agro-forestry and bund plantation models, both of which enable cultivation of trees and crops together, thus ensuring incomes, and also contributing to food & wood security for the nation. The Social Forestry programme has greened over 37,300 acres, benefitting over 10,500 households during the year, thus, cumulatively covering over 528,000 acres impacting 190,000 households, most of whom are small and tribal community farmers. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), wherein during the year, 890 farmers got about INR 4.2 million as FSC® premium in addition to regular wood income. The farm forestry programme by ITC's Paper Business promotes sustainable forests management practices in the value chain, and securing the supply of pulpwood for its paper mills. Apart from sequestering carbon, this programme along with social forestry provides significant environmental benefits such as improving productivity of wasteland. The programme also helps in de-risking poor rural households by diversifying farm portfolios through the promotion of tree-based farming.

ITC's Farm and Social forestry programmes have together greened over 1.3 million acres till date. (1 acre = 0.404686 ha) INR 48.8 million is the spend on social forestry programme in 2024-25

(8.15.2.16) Collective monitoring framework used to measure progress towards landscape goals and actions

Select from:

☑ Yes, progress is collectively monitored using a shared external framework, please specify :TNFD recommended Nature-related Targets and Metrics

(8.15.2.17) State the achievements of your engagement so far and how progress is monitored

Outcomes and Achievements: ITC's Farm and Social forestry programmes have together greened over 1.3 million acres till date, which is equivalent to 530138.66 hectares (1 acre = 0.404686 ha). During the year, the Social Forestry programme greened over 37,300 acres, benefitting over 10,500 households during the year, thus, cumulatively covering over 528,000 acres impacting 190,000 households, most of whom are small and tribal community farmers. Farmers are also helped in getting their plantations certified under Forest Stewardship Council Certification (FSC®), wherein during the year, 890 farmers got about INR 4.2 million as FSC® premium in addition to regular wood income. Monitoring of progress: ITC has aligned its strategy for Nature with the recommendations of Taskforce on Nature-related Financial Disclosures (TNFD), that recommends setting and tracking nature-related targets. ITC has a nature-related target on expanding forestry projects through ITC's Social and Farm Forestry programme and other such initiatives and covering over 1.5 million acres by 2030. The progress on this target annually monitored and disclosed in ITC's Sustainability Report as well as ITC's first Nature Report aligned with the TNFD.

(8.15.2.18) Claims made

Select from:

☑ Yes, we are making a claim

(8.15.2.19) Type of claim made

Select from:

☑ Individual claim

(8.15.2.20) Provide further details on your claim

Under ITC's Sustainability 2.0 targets for 2030 mentioned in ITC's Sustainability Report, Area covered by Social and Farm Forestry program is disclosed. ITC aims to cover 1.5 million acres under the programme by 2030, and has covered 1.32 million acres till date (Reporting year).
[Add row]

(8.15.3) For each of your disclosed commodities, provide details on the disclosure volume from each of the landscapes/jurisdictions you engage in.

Row 1

(8.15.3.1) Landscape/jurisdiction ID

Select from:

☑ LJ1

(8.15.3.2) Does any of your produced and/or sourced commodity volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?

Select from:

☑ Yes, we do produce/source from this landscape/jurisdiction, and we are able/willing to disclose volume data

(8.15.3.3) Commodity

Select from:

☑ Timber products

(8.15.3.4) % of disclosure volume from this landscape/jurisdiction

91

[Add row]

(8.16) Do you participate in any other external activities to support the implementation of policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains?

Select from:

☑ Yes

(8.16.1) Provide details of the external activities to support the implementation of your policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains

Row 1

(8.16.1.1) Commodity

Select all that apply

☑ Timber products

(8.16.1.2) Activities

Select all that apply

☑ Involved in industry platforms

☑ Engaging with communities

☑ Engaging with non-governmental organizations

(8.16.1.3) Country/area

Select from:

☑ India

(8.16.1.4) Subnational area

Select from:

☑ Not applicable

(8.16.1.5) Provide further details of the activity

ITC is a member of the India Business and Biodiversity Initiative (IBBI), which is a multi- stakeholder initiative with leading Indian Businesses making commitment for biodiversity conservation and sustainable resource use. As a member of IBBI, ITC is actively involved in consultations related to widely adopted frameworks such as the Taskforce on Nature-related Financial Disclosure (TNFD) and is proactively working towards aligning its reporting, and calibrating its practices in line with the evolving stakeholder expectations.
[Add row]

(8.17) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

Select from:
☑ Yes

(8.17.1) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Row 1

(8.17.1.1) Project reference

Select from:
☑ Project 1

(8.17.1.2) Project type

Select from:
☑ Afforestation

(8.17.1.3) Expected benefits of project

Select all that apply
☑ Improvement to soil health
☑ Reduce/halt biodiversity loss
☑ Increase in carbon sequestration
☑ Restoration of natural ecosystem(s)
☑ Creation of green jobs and sustainable livelihoods
☑ Securing continued supply of agricultural commodities
☑ Improvement of standard of living, especially for vulnerable and/or marginalized groups

(8.17.1.4) Is this project originating any carbon credits?

Select from:

☑ Yes

(8.17.1.5) Description of project

In the agri-catchments, ITC works for biodiversity conservation along with soil and water, as these three are essential natural capitals vital for the sustainability of agriculture. Also, rural communities depend on the ecosystem services offered by nature and the local biodiversity for their livelihoods. Therefore, establishing a linkage between biodiversity and livelihoods makes it meaningful for communities to work for biodiversity conservation. As part of its biodiversity conservation efforts, ITC has focussed on the following: → Biodiversity conservation in agri supply chains to minimise the adverse impacts of agriculture on biodiversity → Community-driven biodiversity conservation at the watershed level through landscape renewal and rehabilitation of degraded plots for mosaic restoration → Revival of ecosystem services provided to agriculture by nature, which has witnessed considerable erosion in recent decades. To ensure community ownership, ITC works on creating awareness among communities on how biodiversity contributes to their livelihoods by providing ecosystem services such as food, fodder, and fuelwood, water conservation, and the hosting of beneficial predator birds (that feed on crop pests) and pollinators. During the year, ITC's community-driven biodiversity efforts have conserved more than 180,000 acres of area, taking the total to date to over 470,000 acres.

(8.17.1.6) Where is the project taking place in relation to your value chain?

Select all that apply

☑ Project based in area with direct operations

☑ Project based in sourcing area(s)

(8.17.1.7) Start year

2016

(8.17.1.8) Target year

Select from:

☑ 2030

(8.17.1.9) Project area to date (Hectares)

258999.04

(8.17.1.10) Project area in the target year (Hectares)

404686

(8.17.1.11) Country/Area

Select from:

☑ India

(8.17.1.12) Latitude

25.695503

(8.17.1.13) Longitude

76.141723

(8.17.1.14) Monitoring frequency

Select from:

☑ Annually

(8.17.1.15) Total investment over the project period (currency)

1720000000

(8.17.1.16) For which of your expected benefits are you monitoring progress?

Select all that apply

☑ Increase in carbon sequestration

☑ Reduce/halt biodiversity loss

☑ Restoration of natural ecosystem(s)

(8.17.1.17) Please explain

ITC implements community driven biodiversity conservation through adoption of Nature Based Solutions which is also an integral component for supporting climate resilient agriculture. ITC focusses on biodiversity conservation at landscape level by restoring degraded village commons, promoting plantation of native species, and reducing pressures on forests. Restoration of village commons is currently the major component and the work includes, social protection by communities, soil &

moisture conservation to expedite in-situ native root stock regeneration, improve green cover and carbon sequestration. These plots also act as hosts to insects and birds beneficial to agriculture. In highly degraded patches where in-situ regeneration is not possible, trees of native species are planted. Biodiversity conservation happens through restoration of commons for reducing pressures on forests, Miyawaki plantations, mangrove conservation and native species-based improvement at landscape level, as per the Sustainable Agriscapes approach This is a part of the NRM (Natural Resource Management) Programme with a cumulative investment of approximately INR 1720 Million. The program includes all projects related to natural resource management including biodiversity conservation programme. ITC also has a 2030 target to cover 1 million acres under biodiversity conservation programme, which is equivalent to 404686 ha. Till date, the programme has covered 0.64 million acres, equivalent to 258999 ha (assuming 1 acre = 0.404686 hectares).
[Add row]

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

With water being an essential resource for direct operations as well as within our supply chain, ITC measures and monitors in its Units using calibrated water flow meters conforming to local regulations, where applicable. These meters include mechanical flow meter, Electro-magnetic flow meter, ultrasonic flow meter.

(9.2.4) Please explain

Data is reported on a quarterly basis from all sites by relevant EHS and Sustainability personnel and after various levels of verification, is consolidated at Business and Corporate level. Businesses analyze and assess their water-related data and link them to relevant KPIs. Water withdrawal data is reported annually in ITC's Sustainability Report. In FY 2024-25, out of the total water withdrawal of 31.4 million kilolitres (kl).

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

With water being an essential resource for direct operations as well as within our supply chain, ITC measures and monitors in its Units using calibrated water flow meters conforming to local regulations, where applicable. These meters include mechanical flow meter, Electro-magnetic flow meter, ultrasonic flow meter.

(9.2.4) Please explain

Data is reported on a quarterly basis from all sites by relevant EHS and Sustainability personnel and after various levels of verification, is consolidated at Business and Corporate level. Businesses analyze and assess their water-related data and link them to relevant KPIs. Water withdrawal data is reported annually in ITC's Sustainability Report.In FY 2024-25, out of the total water withdrawal of 31.4 million kl, around 83.8% was sourced from surface water and rain water, 13.6% from ground water sources and the remaining 2.6% from third-party water sources

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

-pH: Measured through standard pH meters. -TSS: Measured by gravimetric method by using filter, weighing balance and oven to dry, spectrophotometer -Turbidity- Measured by spectrophotometer -TDS: Measured using a standard online/offline meters.

(9.2.4) Please explain

Various relevant physical, chemical and microbiological water quality parameters are regularly monitored with calibrated water throughput meters(select parameters on a daily basis in-house and comprehensive tests on a quarterly basis via NABL (National Accreditation Board for Testing and Calibration Laboratories) accredited testing laboratories). These tests help the Units to optimise the downstream raw water treatment process to meet the process and drinking water quality requirements.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

In line with relevant statutory norms, ITC units measure and monitor this quantity (with calibrated water throughput meters, Magnetic flow meter, open channel flow meter, Ultrasonic flow meter etc.) as applicable, on a continuous basis, at its manufacturing locations.

(9.2.4) Please explain

Data is reported on a half-yearly basis from all sites by relevant EHS personnel and after various levels of verification, are consolidated at the Business and Corporate levels. Businesses analyse and assess their water-related data and link them to relevant KPIs. This data is important in progressing towards zero effluent discharge and recycle/ reuse of treated effluent to reduce fresh water intake. During FY 2024-25, all ITC Units met their regulatory requirement related to effluent discharge quality and quantity. In FY 2024-25, around 20.7 million kl of treated effluent was discharged outside the premises by ITC

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

In line with relevant statutory norms, ITC measures and monitors this quantity, (with calibrated water throughput meters, Ultrasonic flow meter, open channel flow meter. Magnetic flow meter etc.), on a continuous basis, at its manufacturing locations.

(9.2.4) Please explain

Data is reported on a half-yearly basis from all sites by relevant EHS personnel and after various levels of verification, are consolidated at the Business and Corporate levels. Businesses analyse and assess their water-related data and link them to relevant KPIs. This data is important in progressing towards zero effluent discharge and recycle/ reuse of treated effluent to reduce fresh water intake. Water discharge data is reported annually in ITC's Sustainability Report. In FY 2024-25, around 20.7 million kl of treated effluent was discharged outside the premises by ITC units., out of which 51.7% was discharged to surface water bodies, 48.0% for irrigation purposes,0.24% was discharged to Common Effluent Treatment Plant and the balance 0.05% was discharged to Municipal sewers.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

In line with relevant statutory norms, ITC measures and monitors this quantity, (with calibrated water throughput meters, mechanical flowmeter) on a continuous basis, at its manufacturing locations.

(9.2.4) Please explain

Data is reported on a half-yearly basis from all sites by relevant EHS personnel and after various levels of verification, are consolidated at the Business and Corporate levels. Businesses analyse and assess their water-related data and link them to relevant KPIs. This data is important in progressing towards zero effluent discharge and recycle/ reuse of treated effluent to reduce fresh water intake. Water discharge data by volume of treatment is reported annually in ITC Business Responsibility and Sustainability Report 2025. In FY 2024-25, around 20.6 million kl of treated effluent was discharged outside the premises by ITC units out of which 10.9 million KL was treated at secondary level and the balance 9.7 million KL at tertiary level.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

BOD: Measured in titration method, incubated in incubator. COD: Measured in titration method, digested in COD digester. pH: Measured through pH meter. TSS: Measured by gravimetric method by using filter, weighing balance and oven to dry. DO: measured through titration. Online monitoring of pH, TSS, BOD and COD carried out on continuous basis and data uploaded to regulators' server (State and Central Pollution Control Boards) as applicable. OCEMS on continuous basis

(9.2.4) Please explain

Relevant physical, chemical and microbiological water quality parameters are regularly monitored (select parameters on a daily basis using test kits and comprehensive tests on a monthly/ quarterly/ periodic basis via NABL accredited testing laboratories) in accordance with the process requirements and applicable standards and legislations across ITC Units. Paperboards factory has a continuous effluent online monitoring system before final disposal. The thresholds ITC strives

*towards to achieve are stringent than specified in the local regulations. This data is important in progressing towards zero effluent discharge and recycle/ reuse of treated effluent to reduce fresh water intake. *OCEMS - Online Continuous Emission/Effluent monitoring System*

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Measured as applicable. Relevant physical, chemical and microbiological water quality parameters are regularly monitored (select parameters on a daily basis using test kits and comprehensive tests on a monthly/quarterly/periodic basis via NABL accredited testing laboratories) in accordance with the process requirements and applicable standards and legislations across ITC Units.

(9.2.4) Please explain

Relevant physical, chemical and microbiological water quality parameters are regularly monitored (select parameters on a daily basis using test kits and comprehensive tests on a monthly/ quarterly/ periodic basis via NABL accredited testing laboratories) in accordance with the process requirements and applicable standards and legislations across ITC Units.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

Measured & monitored as part of various physical, chemical and microbiological water quality parameters which are regularly recorded select parameters on a daily basis using test kits/in-house labs & comprehensive tests on a monthly basis via NABL accredited testing laboratories in accordance with the process requirements and applicable standards and legislations across ITC factories. Temperature is monitored.

(9.2.4) Please explain

In line with relevant and applicable statutory norms, ITC measures and monitors this quantity, (with calibrated water throughput meters), on a continuous basis, at its manufacturing locations.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

ITC measures and monitors (with calibrated water throughput meters, Magnetic flow meter and based on mass balances), its total water consumption at all manufacturing sites

(9.2.4) Please explain

Data is reported on a half-yearly basis from all sites by relevant EHS personnel and after various levels of verification, are consolidated at the Business and Corporate levels. Businesses analyse and assess their water-related data and link them to relevant KPIs. ITC targets to reduce the specific water intake by 40% across businesses by 2030 (over a 2018-19 baseline) and Creation of Rainwater Harvesting Potential equivalent to over 5 times the Net Water Consumption from

Operations by 2030. Water use efficiency data is reported annually in ITC's Sustainability Report. ITC's water consumption is net of fresh water withdrawal and treated effluent discharge. During FY 2024-25, the net water consumption was 10.7 million Kilolitres

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Continuously

(9.2.3) Method of measurement

ITC measures and monitors this quantity, (with calibrated water throughput meters, open channel flow meters, Electro magnetic flow meter), on a daily basis, at all manufacturing locations.

(9.2.4) Please explain

Data is reported on a half-yearly basis from all sites by relevant EHS personnel and after various levels of verification, are consolidated at the Business and Corporate levels. Businesses analyse and assess their water-related data and link them to relevant KPIs. This data is important in progressing towards zero effluent discharge and recycle/ reuse of treated effluent to reduce fresh water intake and overall water consumption. ITC targets to reduce the specific water intake by 40% across businesses by 2030 (over a 2018-19 baseline). During FY 2024-25 total volume of water recycled by ITC was 5.6 million kilo litres.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

In accordance with the applicable legislations (Factories Act and relevant amendments), access to WASH services are ensured and monitored in all ITC facilities. Internal EHS audits (periodic frequency) are used as a method to monitor and ensure compliance towards WASH services for employees.

(9.2.4) Please explain

ITC recognizes the access to safe drinking water and sanitation as a basic human right, and aligns to the same through its policies on Environment, Health & Safety and Code of Conduct for Suppliers and Service Providers. Rest rooms are provided with adequate water facility. ITC is also implementing the international Alliance for Water Stewardship (AWS) Standard across all its high risk sites, and WASH is a key pillar of the AWS Standard. Accordingly, ITC is targeting AWS certification of all sites in high water stressed areas by 2035.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

31363

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

In FY 2024-25, ITC's total water withdrawal was around 31.4 million kilolitres (kl), a reduction of 6.4% as compared to previous year due to a series of interventions at ITC's Bhadrachalam Paper Unit, which accounts for more than 76% of ITC's total water consumption. Demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025 also contributed to the reduction. However, even after accounting for the demerger (removing water withdrawal data for hotels division from previous year), the water withdrawal is still lower in FY2024-25 compared to FY2023-24. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower

Total discharges

(9.2.2.1) Volume (megaliters/year)

20646

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

The total water discharge remained about the same as compared to previous year despite growth in production. This is due to various Water Efficiency Management Programs undertaken by the factories. During FY 2024-25, the performance was also impacted due to demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited. Even after accounting for the demerger (removing water discharge data of hotels division from previous year), the water discharge is still about the same in FY2024-25 compared to FY2023-24. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower

Total consumption

(9.2.2.1) Volume (megaliters/year)

10717

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

The reduction on this aspect is on account of two reasons: 1. In FY 2024-25, ITC's total water withdrawal was around 31.4 million kilolitres (kl), a reduction of 6.4% as compared to previous year due to a series of interventions at ITC's Bhadrachalam Paper Unit, which accounts for more than 76% of ITC's total water consumption. 2. ITC's total water consumption has decreased due to improvement of water-use efficiencies by adopting the latest technologies and increasing reuse and recycling practices in operations. 2. Demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025 also contributed to the reduction. However, even after accounting for the demerger (removing water consumption data for hotels division from previous year), the water withdrawal is still lower in FY2024-25 compared to FY2023-24. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

30173

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.4.5) Five-year forecast

Select from:

☑ About the same

(9.2.4.6) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

96.21

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

☑ Other, please specify :ITC has developed the water risk assessment methodology for identifying water stressed areas based on WRI Aqueduct's Baseline Water Stress and Central Ground Water Board's (India) groundwater block classification.

(9.2.4.9) Please explain

The reduction of water withdrawal from water stressed locations is on account of: 1. Improving water-use efficiencies by adopting the latest technologies and increasing reuse and recycling practices in operations 2. Demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the

reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger (removing water withdrawal data for hotels division from previous year), the water withdrawal from water stressed areas is still lower in FY2024-25 compared to FY2023-24. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower. ITC has an internal water risk assessment methodology, which considers inputs from WRI Aqueduct's Baseline Water Stress (data set used was Aqueduct Global Maps 2.1)to account for physical water risks, Central Ground Water Board's (India) groundwater block classification to account for physical and regulatory risks, and through local stakeholder engagement for identifying water-related social and reputational risks. Water quality-related aspects and future drought risk (based on climate modelling) are also considered while assessing site-level water risks. The risk assessment framework characterizes any location where there exists physical water scarcity due to low water availability or poor water quality, regulatory, reputational or social water risks stemming from actual (or perceived) water scarcity, as a water-stressed location. This holistic methodology and framework allows ITC to cognise water risks in a comprehensive manner and effectively strategize to address the identified risks. ITC has moved towards a more comprehensive and stringent water-risk assessment methodology, ITC is better placed to address its water risks. This will be done via expanding ITC's water stewardship approach to more catchments across the Country and addressing water risks from a long-term water security perspective, through collaborative and inclusive stakeholder engagement. ITC targets to have 8 of its facilities in high water-stressed Areas to be certified as per the International Water Stewardship Standard by AWS (Alliance for Water Stewardship) by 2024 and all facilities in high water stress areas to be certified by 2035. ITC spearheading adoption of Alliance for Water Stewardship (AWS) Standard in India − 9 AWS-certified sites in India, ahead of ITC's S2.0 target of 8 sites by 2024 with all 9 receiving Platinum level certification − These 9 sites represent more than 86% of ITC's Operational Water Footprint
[Fixed row]

(9.2.6) What proportion of the sourced agricultural commodities that are significant to your organization originate from areas with water stress?

Timber products

(9.2.6.1) The proportion of this commodity sourced from areas with water stress is known

Select from:
☑ Yes

(9.2.6.2) % of total agricultural commodity sourced from areas with water stress

Select from:
☑ 11-25

(9.2.6.3) Please explain

Pulpwood is procured from approximately 27 districts across 8 different states of India. With a district-wise mapping of procurement in our key agri-value chains, and GIS analysis & risk categorisation using WRI Aqueduct 2.0 Baseline Water Stress indicator, the extent of water stress in our agri- supply chains is calculated/ estimated. Share of timber sourced from water stressed areas is about the same than the previous reporting year even though overall procurement volumes were lower this year. Anticipated future trend: The share of timber sourced from water stressed areas is expected to remain about the same as these are core catchment areas for timber. Through continuous efforts to improve crop water efficiencies, ITC plans to address the issue by reducing the water intensity in the future, despite larger procurement to match increased production volumes. How the indicator is used: Share of timber from water stressed areas is used as the key metric that drives the one of the Company's 2030 targets on water stewardship; 1) integrated watershed management programmes for creating 60 million kl of storage potential, 2) to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. Accordingly, various interventions to improve water use efficiencies are in place, in pulpwood value chain. Some of these include- high-yielding, site specific, and disease-resistant eucalyptus and subabul saplings, effective extension services and technical guidance - on planting till harvest, focus on creating commercially viable land use options for small landholder farmers through tree-based farming to diversify income from land while fostering food, fodder and fuelwood security, efforts to promote climate resilient practices including tree based farming, soil health & water management, intercropping in its procurement regions across Telangana, Andhra Pradesh, and parts of Odisha and Chhattisgarh are some examples of the same.

Tobacco

(9.2.6.1) The proportion of this commodity sourced from areas with water stress is known

Select from:

☑ Yes

(9.2.6.2) % of total agricultural commodity sourced from areas with water stress

Select from:

☑ 26-50

(9.2.6.3) Please explain

Tobacco is procured from approximately 25 districts across 5 different states of India. With a district-wise mapping of procurement in our key agri-value chains, and GIS analysis & risk categorisation using WRI Aqueduct 2.0 Baseline Water Stress indicator, the extent of water stress in our agri- supply chains is calculated/ estimated. Share of tobacco sourced from water stressed areas is about the same than the previous reporting year even though overall procurement volumes increased by 22% over previous year, Anticipated future trend: The share of tobacco sourced from water stressed areas is expected to remain about the same as these are core catchment areas for tobacco. Through continuous efforts to improve crop water efficiencies, ITC plans to address the issue by reducing the water intensity in the future, despite larger procurement to match increased production volumes. How the indicator is used: The share of tobacco sourced from water stressed areas is used as key metric that drives one of ITC's 2030 targets on water stewardship; to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. Key interventions on demand-side management for tobacco promoted by ITC include:- Varieties tolerant to biotic & abiotic stress, backed by extensive research and development, to suit the region's specific climatic

requirements-Sub soiling to improve root penetration and water holding capacity of the soil - Biological interventions such as green manuring, mulching and vermicomposting to improve soil organic content and water-holding capacity - Tray Seedling technique to reduce water usage in the nursery (up to 30%) - Drip irrigation - improved irrigation efficiency & energy saving. Piloting Mobile drip irrigation systems for life saving irrigations to enhance the mobility and ease of handling. - Fertigation - precise application to the active root zone improving efficiency. - Smart irrigation technology determines water requirement of plants on real-time basis & automates irrigation activity using soil moisture sensors & cloud technology. This precision farming method has potential to reduce water & energy requirements by 50% & improve farm productivity by 10% - Scaling up drone coverage on a large scale for spraying.

Wheat

(9.2.6.1) The proportion of this commodity sourced from areas with water stress is known

Select from:

☑ Yes

(9.2.6.2) % of total agricultural commodity sourced from areas with water stress

Select from:

☑ 76-99

(9.2.6.3) Please explain

Wheat is procured from 118 districts across 15 different states of India. With a district-wise mapping of procurement in our key agri-value chains, and GIS analysis & risk categorisation using WRI Aqueduct 2.0 Baseline Water Stress indicator, the extent of water stress in our agri- supply chains is calculated/ estimated. Share of wheat sourced from water stressed areas is about the same than the previous reporting year even though overall procurement volumes increased over previous year, Anticipated future trend: The share of wheat sourced from water stressed areas is expected to remain about the same as these are core catchment areas for wheat. Through continuous efforts to improve crop water efficiencies, ITC plans to address the issue by reducing the water intensity in the future, despite larger procurement to match increased production volumes. How the indicator is used: The share of wheat sourced from water stressed areas is used as the key metric that drives the one of the Company's 2030 targets on water stewardship; to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. ITC has embarked on a mission to create positive water footprint across its key agri value chains - Wheat, Tobacco, and Pulpwood. To address the magnitude of water stress, in the recent years, the programme on water stewardship was also extended to river basin level interventions so that the competing demands from neighbouring areas of ITC's catchments are also addressed and a more holistic and sustainable impact created. Work has been done in four river basins till date - Maharashtra (Ghod basin), Madhya Pradesh (Kolans basin), Tamil Nadu (Upper Bhawani basin) and Telangana (Murreru basin) and they have achieved water positive status, as against the water deficit estimated in earlier studies. In addition to these four basins, work has started in the fifth basin in Karnataka (South Pennar basin), based on the recommendations from the river basin study done through Indian Institute of Science (IISc). In pursuit of the above interventions, ITC collaborates with reputed institutions and thematic expert organisations to improve water use efficiency in agriculture, map zones for managed aquifer recharge and for water balance estimation. ITC has partnered with reputed agencies like Indian Institute of Science (IISc) Bangalore, IWMI, WWF India and ACWADAM

[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

26292

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.7.5) Please explain

1. By virtue of their location, some of our most water intensive facilities ((Paperboard business) are dependent on surface water sources and therefore fresh surface water is very relevant to ITC. Water withdrawal by source is reported annually in ITC's Sustainability Report. Surface water withdrawal has remained almost the same (reduced by 7%) as compared to the previous reporting year. 2. The reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, withdrawals are 'about the same'. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

By virtue of location of our facilities and nature of our businesses, ITC has no dependency on brackish/ seawater at present. Hence this is not relevant to us

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

4264

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.7.5) Please explain

1. For facilities which don't have access to surface water sources, groundwater is the most dependable form of water satisfying necessary process requirements, such as our Foods Business plant in Malur. Thus, this is a relevant source for ITC. 2. Ground water renewable water withdrawal has remained almost the same (reduced by 28%) as compared to the previous reporting year. This is improving water-use efficiencies by adopting the latest technologies & increasing reuse and

recycling practices in operation 3. Additionally, the reduction is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period:1st April 2024-31st March, 2025. However, even after accounting for the demerger, withdrawals are about the same. ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change greater than /- 20% implies change is much higher/lower

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

By virtue of location of our facilities and nature of our businesses, ITC has no dependency on Groundwater – non-renewable at present. Hence this is not relevant to us

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Manufacturing process (of the products that ITC produces), does not result in any water produced or entrained water. Hence this is not relevant to us

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

807

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.7.5) Please explain

1. For ITC, this comprises municipal piped water supply and treated wastewater from third party sources. While in terms of overall volume, it is small, piped water supply is an important source for ITC facilities (for Foods Factories). The quantity of water from third party sources has decreased by around 56%.This is improving water-use efficiencies by adopting the latest technologies & increasing reuse and recycling practices in operations. 2. Additionally, the reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, withdrawals are sill lower as compared to previous year.. Note: ITC has defined that change within the range of /- 6% and 20% implies change is higher (or lower),change greater than /- 20% implies change is much higher/lower
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

10924

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.8.5) Please explain

1. In FY 2024-25, around 20.7 million kl of treated effluent was discharged outside the premises by ITC units. Discharge to surface water sources included 10924 megalitres, 4% lower than the previous reporting year. (about the same). In PSPD Bhadrachalam, due to Use of ETP treated wastewater in Heat Exchanger eliminating the need of fresh water utilisation for black liquor cooling, and creation of cross functional group led to a saving of 4000 kl/day in the unit 2. Addition, the reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, discharge is about the same. Note: ITC has defined that change within the range of /-5% as compared to last reporting year, implies performance has remained about the same

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

ITC does not discharge to brackish water/ seawater sources at present, by virtue of location of its facilities. This is not anticipated to change in near future.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

ITC does not discharge ground water sources at present, due to regulatory restrictions on the same. This is not anticipated to change in near future.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

9722

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.8.5) Please explain

1. In FY 2024-25, around 20.7 million kl of treated effluent was discharged outside the premises by ITC units. Discharge to third party destinations included 9722 megalitres, 7 % lower than the previous reporting year. This is due to a. Improving water-use efficiencies by adopting the latest technologies and increasing reuse and recycling practices in operations b. Continual improvement in specific water withdrawal and adoption of benchmarked practices 2. Additionally, the reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, discharge is still lower. Note: ITC has defined that change within the range of /- 6% and 20% implies change is higher (or lower).

[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

9722

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 41-50

(9.2.9.6) Please explain

Rationale for Tertiary treatment: It aims to upgrade water to a higher level of quality before it is discharged. It includes processes that remove, for example, heavy metals, nitrogen, and phosphorus. Regulatory or voluntary standards: 1. ITC's water discharge data has been assured at the 'Reasonable Level' by an independent

third-party assurance provider as per ISAE 3000 and GRI 303-4: Water and Effluents. 2. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards. 47% of ITC's effluents are treated to tertiary level prior to discharge, across our facilities. 3. The reduction is due to a. Improving water-use efficiencies by adopting the latest technologies and increasing reuse and recycling practices in operations b. Continual improvement in specific water withdrawal and discharge and adoption of benchmarked practices. 4. Additionally, the reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, the trend is the same. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

10924

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ About the same

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 51-60

(9.2.9.6) Please explain

Rationale for Secondary treatment: It aims to remove substances and materials that have remained in the water, or are dissolved or suspended in it; Regulatory or voluntary standards: 1. ITC's water discharge data has been assured at the 'Reasonable Level' by an independent third-party assurance provider as per ISAE 3000 and GRI 303-4: Water and Effluents. 2. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards. 53% of ITC's effluents are treated to secondary level prior to discharge, across our facilities. 3. The reduction is due to a. Improving water-use efficiencies by adopting the latest technologies and increasing reuse and recycling practices in operations b. Continual improvement in specific water withdrawal and discharge and adoption of benchmarked practices. 4. Additionally, the reduction on this aspect is on account of demerger of the Hotels Business from ITC Limited on 1st January 2025 to ITC Hotels Limited during the reporting period: 1st April 2024-31st March, 2025. However, even after accounting for the demerger, the trend is the same. Note: ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

This level of treatment is not relevant for discharge as the waste water is subjected to secondary and tertiary forms of treatment, which are higher versions of treatment. 100% of ITC's effluents are treated (secondary and tertiary) across our facilities. Rationale for primary treatment: It aims to remove solid substances that settle or float on the water surface. Regulatory or voluntary standards: 1. ITC's water discharge data has been assured at the 'Reasonable Level' by an independent third-party assurance provider as per ISAE 3000 and GRI 303-4: Water and Effluents. 2. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

This level of treatment is not relevant for discharge as the waste water is subjected to secondary and tertiary forms of treatment, which are higher versions of treatment

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

This level of treatment is not relevant for discharge as the waste water is subjected to secondary and tertiary forms of treatment, which are higher versions of treatment

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

This level of treatment is not relevant for discharge as the waste water is subjected to secondary and tertiary forms of treatment, which are higher versions of treatment
[Fixed row]

(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

(9.2.10.1) Emissions to water in the reporting year (metric tons)

41.79

(9.2.10.2) Categories of substances included

Select all that apply

☑ Nitrates

☑ Phosphates

(9.2.10.4) Please explain

Nitrates and phosphates are measured for each unit/ facility as per the requirements of the Pollution Control Board. Regulatory or voluntary standards: 1. ITC's water discharge data has been assured at the 'Reasonable Level' by an independent third-party assurance provider as per ISAE 3000 and GRI 303-4: Water and Effluents. 2. ITC's existing operations/offices comply with applicable environmental regulations of the Country, and operate as per CTO conditions from the Central and State Pollution Control Boards.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

15

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 26-50

(9.3.4) Please explain

Proportion number of facilities exposed to water risks that could generate a substantive change/ total number of facilities. ITC defines a facility as one or more manufacturing units/ officers/ warehouses, located within the same compound/ sharing close geographical proximity.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have assessed this value chain stage but did not identify any facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.4) Please explain

As per ITC's water risk methodology, no facilities in the upstream value chain were identified as having substantive water-related dependencies, impacts, risks, and opportunities. Besides direct water consumption, ITC Businesses depend on multiple agricultural value chains. Recognising the importance of water availability for its operations and the catchments from which agricultural commodities are sourced, ITC's Sustainability 2.0 approach centres on enabling water security for all stakeholders in its catchments. ITC actively works with farmers, a crucial part of its supply chain, to conserve and replenish water by promoting water-efficient agronomic practices like micro-irrigation techniques and working with them to create infrastructure for rainwater harvesting. For sites exposed to high water risk, ITC's approach entails developing an in-depth understanding of the environmental and social aspects of water resources at the catchment, sub-catchment or micro-watershed level where it is located, which is achieved through detailed hydrological and hydrogeological studies and stakeholder engagement processes, respectively. Upstream – Agri-Value Chains: 1. Implementation of integrated watershed level programmes to augment water availability in the entire catchment and up to the river basin level 2. Working with farmers for creating rainwater harvesting structures to enhance the availability of water in agri-catchments 3. Working towards water-positive agri-value chains by promoting crop water use efficiency in ITC core crops leading to water savings and high crop yields
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☑ Facility 1

(9.3.1.2) Facility name (optional)

Facility 1

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

India

☑ Godavari

(9.3.1.8) Latitude

17.694722

(9.3.1.9) Longitude

80.862778

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

25451

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

25451

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

18996

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

9885

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

9111

(9.3.1.27) Total water consumption at this facility (megaliters)

6456

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower

Row 2

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

Facility 2

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable

(9.3.1.7) Country/Area & River basin

India

☑ Other, please specify :East flowing Rivers between Pennar and Kanyakumari

(9.3.1.8) Latitude

13.1822

(9.3.1.9) Longitude

80.305833

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

32

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

32

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

32

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 3

(9.3.1.1) Facility reference number

Select from:

☑ Facility 3

(9.3.1.2) Facility name (optional)

Facility 3

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Cauvery River

(9.3.1.8) Latitude

11.2464

(9.3.1.9) Longitude

76.8747

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

788

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

788

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

788

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 4

(9.3.1.1) Facility reference number

Select from:

☑ Facility 4

(9.3.1.2) Facility name (optional)

Facility 4

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Other, please specify :West flowing rivers from Tapi to Tadri

(9.3.1.8) Latitude

18.9981

(9.3.1.9) Longitude

72.8386

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

70

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

24

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

46

(9.3.1.27) Total water consumption at this facility (megaliters)

70

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Higher

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 5

(9.3.1.1) Facility reference number

Select from:

☑ Facility 5

(9.3.1.2) Facility name (optional)

Facility 5

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

India

☑ Krishna

(9.3.1.8) Latitude

18.7781

(9.3.1.9) Longitude

74.2611

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

182

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0.4

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

181.6

(9.3.1.21) Total water discharges at this facility (megaliters)

8

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

8

(9.3.1.27) Total water consumption at this facility (megaliters)

174

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 6

(9.3.1.1) Facility reference number

Select from:

☑ Facility 6

(9.3.1.2) Facility name (optional)

Facility 6

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

29.9539

(9.3.1.9) Longitude

78.0789

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

222

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

222

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

17

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ About the same

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

17

(9.3.1.27) Total water consumption at this facility (megaliters)

205

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 7

(9.3.1.1) Facility reference number

Select from:

☑ Facility 7

(9.3.1.2) Facility name (optional)

Facility 7

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

29.9567

(9.3.1.9) Longitude

77.5333

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

43

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

3

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

40

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

43

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 8

(9.3.1.1) Facility reference number

Select from:

☑ Facility 8

(9.3.1.2) Facility name (optional)

Facility 8

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

22.5475

(9.3.1.9) Longitude

88.1511

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

137

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Much higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

137

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

137

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much higher

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 9

(9.3.1.1) Facility reference number

Select from:

☑ Facility 9

(9.3.1.2) Facility name (optional)

Facility 9

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

22.4811

(9.3.1.9) Longitude

88.0411

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

31

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

31

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

8

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Much higher

(9.3.1.23) Discharges to fresh surface water

8

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters)

23

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 10

(9.3.1.1) Facility reference number

Select from:

☑ Facility 10

(9.3.1.2) Facility name (optional)

Facility 10

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

India

☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

23.0072

(9.3.1.9) Longitude

88.4086

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

2759

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

2759

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

1581

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Higher

(9.3.1.23) Discharges to fresh surface water

1029

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

551

(9.3.1.27) Total water consumption at this facility (megaliters)

1179

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 11

(9.3.1.1) Facility reference number

Select from:

☑ Facility 11

(9.3.1.2) Facility name (optional)

Facility 11

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Indus

(9.3.1.8) Latitude

31.4356

(9.3.1.9) Longitude

75.3528

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

149

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

2

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

147

(9.3.1.27) Total water consumption at this facility (megaliters)

149

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 12

(9.3.1.1) Facility reference number

Select from:

☑ Facility 12

(9.3.1.2) Facility name (optional)

Facility 12

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Other, please specify :East flowing Rivers between Mahanadi and Pennar

(9.3.1.8) Latitude

13.1867

(9.3.1.9) Longitude

77.6389

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

87

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

18

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

52

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

17

(9.3.1.27) Total water consumption at this facility (megaliters)

87

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 13

(9.3.1.1) Facility reference number

Select from:

☑ Facility 13

(9.3.1.2) Facility name (optional)

Facility 13

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Other, please specify :East flowing Rivers between Mahanadi and Pennar

(9.3.1.8) Latitude

13.0339

(9.3.1.9) Longitude

77.8978

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

62

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

10

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

5

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

47

(9.3.1.27) Total water consumption at this facility (megaliters)

62

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Higher

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 14

(9.3.1.1) Facility reference number

Select from:

☑ Facility 14

(9.3.1.2) Facility name (optional)

Facility 14

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India

☑ Cauvery River

(9.3.1.8) Latitude

12.16

(9.3.1.9) Longitude

76.830833

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

124.5

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ About the same

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0.6

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

123.9

(9.3.1.27) Total water consumption at this facility (megaliters)

124.5

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ About the same

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.

Row 15

(9.3.1.1) Facility reference number

Select from:

☑ Facility 15

(9.3.1.2) Facility name (optional)

Facility 15

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

ITC Units have put in place necessary systems to comply with the Consent to Operate (CTO) conditions including Zero Liquid Discharge, where applicable.

(9.3.1.7) Country/Area & River basin

India
☑ Ganges - Brahmaputra

(9.3.1.8) Latitude

30.9933

(9.3.1.9) Longitude

77.7594

(9.3.1.10) Located in area with water stress

Select from:
☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

35

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:
☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

35

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.27) Total water consumption at this facility (megaliters)

35

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

ITC has defined that change within the range of /- 5% as compared to last reporting year, implies performance has remained about the same, change between /- 6% and 20% implies change is higher (or lower), and change greater than /- 20% implies change is much higher or much lower.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

1. GRI Standards Water withdrawal: Disclosure 303-3 2. ISAE 3000 3. ITC's water withdrawal has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

1. GRI Standards Water withdrawal: Disclosure 303-3 2. ISAE 3000 3. ITC's water withdrawal has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ITC units operate in line with the Consent to Operate (CTO) conditions, that are verified by accredited labs for regulatory compliance. All ITC units met their regulatory requirement related to effluent discharge quality and quantity in FY2024-25. GRI Standards Water withdrawal: Disclosure 303-3 ISAE 3000 ITC's water discharge has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

GRI Standards-Water discharge: Disclosure 303-4 ISAE 3000 ITC units operate in line with the Consent to Operate (CTO) conditions. All ITC units met their regulatory requirement related to effluent discharge quality and quantity in FY2024-25 ITC's water discharge has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

GRI Standards Water discharge: Disclosure 303-4 ISAE 3000 ITC units operate in line with the Consent to Operate (CTO) conditions. All ITC units met their regulatory requirement related to effluent discharge quality and quantity in FY 2024-25 ITC's water discharge has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

GRI Standards Disclosure 303-4 ISAE 3000 ITC's water discharge has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ITC units operate in line with the Consent to Operate (CTO) conditions, and are verified by accredited labs for regulatory compliance. All ITC units met their regulatory requirement related to effluent discharge quality and quantity in FY2024-25 GRI Standards Disclosure 303-4 ISAE 3000 ITC's water discharge has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

GRI Standards Disclosure 303-5 Water consumption ISAE 3000 ITC's water consumption data has been assured at the 'Reasonable Level' by M/s KPMG Assurance and Consulting Services LLP
[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☑ Yes, CDP supply chain members buy goods or services from facilities listed in 9.3.1

(9.4.1) Indicate which of the facilities referenced in 9.3.1 could impact a requesting CDP supply chain member.

Row 1

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

PSPD, Bhadrachalam

(9.4.1.3) Requesting member

Select from:

☑ TETRA PAK

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25

(9.4.1.5) Comment

None

Row 2

(9.4.1.1) Facility reference number

Select from:

☑ Facility 2

(9.4.1.2) Facility name

PPB (F), Tiruvottiyur

(9.4.1.3) Requesting member

Select from:

☑ British American Tobacco PLC

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25.

(9.4.1.5) Comment

None

Row 3

(9.4.1.1) Facility reference number

Select from:

☑ Facility 14

(9.4.1.2) Facility name

KGLT Mysore

(9.4.1.3) Requesting member

Select from:

☑ Philip Morris International Inc.

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25.

(9.4.1.5) Comment

The facility level data reported for Facility 14 under 9.3.1 is the aggregate of our Agri Business factory and our Foods Business factory located adjacent to each other.

Row 4

(9.4.1.1) Facility reference number

Select from:

☑ Facility 14

(9.4.1.2) Facility name

KGLT Mysore

(9.4.1.3) Requesting member

Select from:

☑ Imperial Brands

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25.

(9.4.1.5) Comment

The facility level data reported for Facility 14 under 9.3.1 is the aggregate of our Agri Business factory and our Foods Business factory located adjacent to each other.

Row 5

(9.4.1.1) Facility reference number

Select from:

☑ Facility 14

(9.4.1.2) Facility name

KGLT Mysore

(9.4.1.3) Requesting member

Select from:

☑ British American Tobacco PLC

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25.

(9.4.1.5) Comment

The facility level data reported for Facility 14 under 9.3.1 is the aggregate of our Agri Business factory and our Foods Business factory located adjacent to each other.

Row 6

(9.4.1.1) Facility reference number

Select from:

☑ Facility 2

(9.4.1.2) Facility name

PPB (F), Tiruvottiyur

(9.4.1.3) Requesting member

Select from:

☑ FLEXTRONICS INTERNATIONAL USA, INC.

(9.4.1.4) Description of potential impact on member

Potential impact to the customer would be minimal as ITC has other facilities which are not located in water stressed region. Spare capacities in those locations along with the inventory maintained by ITC would ensure minimal disruption to the customer requirement. ITC has large-scale watershed development programmes that aimed at augmenting the groundwater supply. ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations. ITC has implemented Integrated Watershed Development Projects across 1.81 million acres.Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25.

(9.4.1.5) Comment

None
[Add row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

(9.5.1) Revenue (currency)

734645500000

(9.5.2) Total water withdrawal efficiency

23423954.98

(9.5.3) Anticipated forward trend

Anticipated future trend: With the increase in production volumes across Businesses, the total water consumption is expected to increase, even though we continually strive to reduce our specific water consumption. By 2030, ITC is targeting a 40% reduction in specific water consumption (per unit of production). Accordingly, total water withdrawal efficiency is expected to improve (decrease) in the future.
[Fixed row]

(9.9) Provide water intensity information for each of the agricultural commodities significant to your organization that you source.

Timber products

(9.9.1) Water intensity information for this sourced commodity is collected/calculated

Select from:
☑ Yes

(9.9.2) Water intensity value (m3/denominator)

785

(9.9.3) Numerator: Water aspect

Select from:
☑ Total water consumption

(9.9.4) Denominator

Select from:

☑ Metric tons

(9.9.5) Comparison with previous reporting year

Select from:

☑ About the same

(9.9.6) Please explain

The water intensity data is based on the data published by ICAR - Central Research Institute for Dryland Agriculture in their report 'Agroforestry Opportunities for Enhancing Resilience to Climate Change in Rainfed Areas' (2018) for eucalyptus trees. The water intensity volume for the year is about the same than the previous reporting year due to the lower procurement volumes. Through continuous efforts to improve crop water efficiencies, ITC plans to reduce the water intensity in the future, despite larger procurement to match increased production volumes. ITC has defined that change within the range of +/- 5% as compared to last reporting year, implies performance has remained about the same, change between +/- 6% and 20% implies change is higher (or lower), and change greater than +/- 20% implies change is much higher or much lower. The water intensity value of pulpwood is used as the key metric that drives the one of the Company's 2030 targets on water stewardship; to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. Accordingly, various interventions to improve water use efficiencies are in place, in pulpwood value chain. Some of these include- high-yielding, site specific, and disease-resistant eucalyptus and subabul saplings, effective extension services and technical guidance - on planting till harvest, focus on creating commercially viable land use options for small landholder farmers through tree-based farming to diversify income from land while fostering food, fodder and fuelwood security, efforts to promote climate resilient practices including tree based farming, soil health & water management, intercropping in its procurement regions across Telangana, Andhra Pradesh, and parts of Odisha and Chhattisgarh are some examples of the same. Anticipated future trend: With the increase in production volumes across paper Business, the total water consumption is expected to increase, even though the we continually strive to reduce our specific water consumption. ITC has defined that change within the range of +/- 5% as compared to last reporting year, implies performance has remained about the same, change between +/- 6% and 20% implies change is higher (or lower), and change greater than +/- 20% implies change is much higher or much lower.

Tobacco

(9.9.1) Water intensity information for this sourced commodity is collected/calculated

Select from:

☑ Yes

(9.9.2) Water intensity value (m3/denominator)

272.86

(9.9.3) Numerator: Water aspect

Select from:

☑ Total water consumption

(9.9.4) Denominator

Select from:

☑ Metric tons

(9.9.5) Comparison with previous reporting year

Select from:

☑ About the same

(9.9.6) Please explain

During the year, Tobacco SBU has increased its tobacco volume procurement by 22% over previous year, thereby increasing the total water quantity by 24%, while per unit water intensity has remained about the same. Water intensity data is based on region-specific assessments carried across Tobacco Growing Areas (TGA's) covering different tobaccos types under Flue Cured Virginia & Non-Flue Cured tobacco types. It considers both nursery water consumption and at main field for all the tobacco types we source. ITC continues to work on both augmenting water supply & reducing the demand for water through water efficient farming techniques across leaf tobacco catchment. The water intensity value of tobacco (~5% of RM procurement vol) used as key metric that drives one of ITC's 2030 targets on water stewardship; to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. Key interventions on demand-side management for tobacco promoted by ITC include:- Varieties tolerant to biotic & abiotic stress, backed by extensive research and development, to suit the region's specific climatic requirements-Sub soiling to improve root penetration and water holding capacity of the soil - Biological interventions such as green manuring, mulching and vermicomposting to improve soil organic content and water-holding capacity - Tray Seedling technique to reduce water usage in the nursery (up to 30%) - Drip irrigation - improved irrigation efficiency & energy saving. Piloting Mobile drip irrigation systems for life saving irrigations to enhance the mobility and ease of handling. - Fertigation - precise application to the active root zone improving efficiency. - Smart irrigation technology determines water requirement of plants on real-time basis & automates irrigation activity using soil moisture sensors & cloud technology. This precision farming method has potential to reduce water & energy requirements by 50% & improve farm productivity by 10% - Scaling up drone coverage on a large scale for spraying In line with the above measures, we expect the future water intensity value to reduce. ITC has defined that change within the range of +/- 5% as compared to last reporting year, implies performance has remained about the same, change between +/- 6% and 20% implies change is higher (or lower), and change greater than +/- 20% implies change is much higher or much lower

Wheat

(9.9.1) Water intensity information for this sourced commodity is collected/calculated

Select from:

☑ Yes

(9.9.2) Water intensity value (m3/denominator)

1051

(9.9.3) Numerator: Water aspect

Select from:

☑ Total water consumption

(9.9.4) Denominator

Select from:

☑ Metric tons

(9.9.5) Comparison with previous reporting year

Select from:

☑ About the same

(9.9.6) Please explain

The water intensity data is based on the growing region-specific 'Physical Productivity of Wheat' data published by NABARD, ICRIER in their report 'Water Productivity Mapping of Major Indian Crops' (2018). The water intensity volume for the year is higher than the previous reporting year due to the higher procurement volumes. The water intensity value of wheat is used as the key metric that drives the one of the Company's 2030 targets on water stewardship; to improve crop water-use efficiency in agri-value chains through demand side management interventions by achieving a savings of at least 2000 million kilolitres annually. ITC has embarked on a mission to create positive water footprint across its key agri value chains -Wheat, Tobacco, and Pulpwood. To address the magnitude of water stress, in the recent years, the programme on water stewardship was also extended to river basin level interventions so that the competing demands from neighbouring areas of ITC's catchments are also addressed and a more holistic and sustainable impact created. Work has been done in four river basins till date - Maharashtra (Ghod basin), Madhya Pradesh (Kolans basin), Tamil Nadu (Upper Bhawani basin) and Telangana (Murreru basin) and they have achieved water positive status, as against the water deficit estimated in earlier studies. In addition to these four basins, work has started in the fifth basin in Karnataka (South Pennar basin), based on the recommendations from the river basin study done through Indian Institute of Science (IISc). In pursuit of the above interventions, ITC collaborates with reputed

institutions and thematic expert organisations to improve water use efficiency in agriculture, map zones for managed aquifer recharge and for water balance estimation. ITC has partnered with reputed agencies like Indian Institute of Science (IISc) Bangalore, IWMI, WWF India, iit-iit Foundation, ACWADAM, GEOVALE and others. Through continuous efforts to improve crop water efficiencies, ITC plans to reduce the water intensity in the future, despite larger procurement to match increased production volumes. ITC has defined that change within the range of +/- 5% as compared to last reporting year, implies performance has remained about the same, change between +/- 6% and 20% implies change is higher (or lower), and change greater than +/- 20% implies change is much higher or much lower
[Add row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

Packaging

(9.12.2) Water intensity value

1.38

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

Total production in tonnes

(9.12.5) Comment

Unit of measurement is kl/tonnes

Row 2

(9.12.1) Product name

Leaf Tobacco

(9.12.2) Water intensity value

1.15

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

Total production in tonnes

(9.12.5) Comment

Unit of measurement is kl/tonnes
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:

☑ No

(9.13.2) Comment

ITC's diversified portfolio of future-ready businesses, spanning FMCG, Paperboards & Packaging, Agri Business and Information Technology. ITC has put in place stringent processes and systems to ensure that its products and services are incompliance with relevant regulatory requirements. Manufacturing Units are also housed in state-of-the-art facilities with internationally benchmarked quality management systems. The Company adopts stringent hygiene standards, globally benchmarked manufacturing practices and robust quality assurance systems for its products. For example, in the food business: -All Units are being periodically evaluated against Global Food Safety standards- internally by Central Quality Team, as well as externally by Third Party certification bodies for ISO/FSSC

accreditations. 117 out of 121 of the manufacturing locations (including third party manufacturing Units) are certified as per recognized global standards like FSSC 22000/ ISO 22000/ HACCP.
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:
☑ Yes

(9.14.2) Definition used to classify low water impact

1. Low water impact products are products requiring less water (at least 10% less) for their use phase compared to the conventional/ baseline category of products. These products consumers to decrease their water use. ITC has been developing several products in this category. ITC's Savlon powdered handwash has a much lower footprint compared to conventional liquid handwash. This handwash comes in concentrated form and hence requires less packaging. The cradle-to-grave water depletion impact of the powdered hand wash is over 50% lesser than that of the liquid hand wash. ITC also redesigned the manufacturing process of Nimyle floor cleaner wherein the need for additional heating is eliminated and the product is manufactured without heating. An LCA was conducted for quantifying the environmental benefits of the process change, and as per the results, the process modification resulted in 27% less water depletion than the earlier hot process 2. ITC's recycled paper mill at Kovai, Tamil Nadu utilised nearly 85,000 tonnes of external waste paper as raw material in FY 2024-25. The Kovai unit is the first site in India and the first paper mill in the world to achieve the highest Platinum rating under the 'Alliance for Water Stewardship Standards'. Recyled paperboard manufactured at Kovai is considered low water impact as it used recycled paper. The Kovai unit has also been rated GreenCo Platinum+ by CII.

(9.14.4) Please explain

1. For low water impact products, the assessments are based on life cycle analysis (LCA) studies. Water Depletion is the amount of water that the watershed of origin is losing. (ReCiPe 2016 (rivm.nl) In these assessments, water depletion is estimated in cubic meters or liters, and is computed using the ReCiPe Midpoint (H) v1.13 methodology. All impact assessment factors used in these impact assessments are sourced from premier global databases (such as EcoInvent) or peer reviewed scientific literature. 2. Recycled paperboard manufacturing is considered low water impact as compared to virgin paperboard manufacturing as it uses nearly 50% less water.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	*Select from:* ☑ Yes
Water withdrawals	*Select from:* ☑ Yes
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ Yes
Other	*Select from:* ☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:
☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Site/facility

(9.15.2.3) Category of target & Quantitative metric

Water pollution

☑ Reduction in water discharges per unit of production

(9.15.2.4) Date target was set

03/31/2024

(9.15.2.5) End date of base year

03/30/2024

(9.15.2.6) Base year figure

25.2

(9.15.2.7) End date of target year

03/30/2025

(9.15.2.8) Target year figure

23.6

(9.15.2.9) Reporting year figure

23.6

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

100

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

During the year, as part of specific discharge target set at 23.6 m3/ tonne of production, PSPD Bhadrachalam achieved its target of 23.6 m3/tonne. 100% of the target was achieved.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

The performance was achieved due to the combination of water-use optimisation and various water conservation measures. Following specific actions were undertaken which led to the achievement of target. 1. Pulp mill Hot water utilization in Paper machine in place of fresh water 2. Fresh water reduction in Pulp Mill by utilizing ETP treated water in black liquor cooling

(9.15.2.16) Further details of target

The Bhadrachalam Unit is the first pulp and paper mill and the second unit in the country overall, to be rated GreenCo Platinum by CII, as part of Green Company rating system. 100% of the target was achieved

Row 6

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:

☑ Business division

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

03/31/2020

(9.15.2.5) End date of base year

03/30/2019

(9.15.2.6) Base year figure

3.04

(9.15.2.7) End date of target year

03/30/2031

(9.15.2.8) Target year figure

1.8

(9.15.2.9) Reporting year figure

1.8

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

100

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

In line with Sustainability 2.0 ambitions, ITC Businesses are implementing various measures to enhance water use efficiency, aiming for a 40% reduction in specific water consumption by 2030 compared to FY 2018-19. Given the diversity of ITC's Businesses, specific water consumption for different businesses are reported with different denominators/activity ((e.g. tonne of production or 'per million cigarettes').

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

The above reported figure is for ITC's Branded Packaged Foods Businesses which achieved 40% reduction in specific water consumption driven by water conservation measures, productivity enhancement interventions and changes in product mix.

(9.15.2.16) Further details of target

All other businesses are also progressing towards meeting S2.0 targets. 17% & 28% reduction in specific water consumption (2024-25 Vs. 2018-19) across Papers and FMCG Cigarettes, which together with Foods Business constitute ~98% of ITC's total water consumption.

Row 7

(9.15.2.1) Target reference number

Select from:

☑ Target 3

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water, Sanitation, and Hygiene (WASH) services

☑ Increase in the proportion of local population using safely managed sanitation services, including a hand-washing facility with soap and water around our facilities and operations

(9.15.2.4) Date target was set

03/31/2017

(9.15.2.5) End date of base year

03/30/2017

(9.15.2.6) Base year figure

85000

(9.15.2.7) End date of target year

03/30/2031

(9.15.2.8) Target year figure

160000

(9.15.2.9) Reporting year figure

175360

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

120

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

As part of its Corporate Social Responsibility (CSR) programmes, ITC's sanitation programme adopts a transformative approach that goes beyond infrastructure, by addressing environmental, social and behavioural determinants, to ensure sustained public health outcomes. Aligned with Swachh Bharat Mission 2.0 (SBM 2.0), one of the programme promotes healthy community and hygienic habitats by ensuring access to sanitation, both at household and at community level. In the programme, the total number of estimated population benefited till date is derived considering each household has 4 members. Hence, the 2030 target is covering 160,000 persons through construction of 40,000 household toilets. Achievement till 2024-25 is 175360 persons through 43,840 household toilets. Exclusion: 1.Child & climate friendly WASH infrastructure in schools & Anganwadi centres including, toilets, drinking water & hand washing facilities. 2.does not include Community Toilets 3.retrofitting of existing toilet.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

The programme (Water, Sanitation, and Hygiene (WASH) services) through quantitative metric Increase in number of population participating in community engagement activities related to WASH) focused on ensuring access to toilets, including construction of community toilets for households with space constraints and retrofitting for twin pits with Swachh Bharat Mission (SBM) support in households where single pit toilets were constructed earlier. Additionally, the programme has also facilitated construction of 224 community toilets. Besides, the programme also works on awareness generation in the community large on WASH aspects through large scale nation wise door-to-door campaigns including Savlon Swaasth India Mission, use of IEC materials, community level activities, etc.

(9.15.2.16) Further details of target

We have achieved the target already, and we are focussing on behaviour change to ensure sustenance of Open Defecation Free (ODF) catchments and focus is now more towards transforming catchments as ODF+ through improved hygiene, sanitation and sustained behaviour change.

Row 8

(9.15.2.1) Target reference number

Select from:

☑ Target 4

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Increase in rainwater harvesting

(9.15.2.4) Date target was set

03/31/2017

(9.15.2.5) End date of base year

03/30/2017

(9.15.2.6) Base year figure

30.08

(9.15.2.7) End date of target year

03/30/2031

(9.15.2.8) Target year figure

60

(9.15.2.9) Reporting year figure

60.82

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

103

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations − ITC has implemented Integrated Watershed Development Projects across 1.81 million acres − Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25. This includes 59.9 Million KL Rain Water Harvesting (RWH) potential (after siltation adjustment) created by ITC at the catchment level. Through various rainwater harvesting initiatives, ITC has established an annual rainwater harvesting potential of approximately 1 million kl within its Units. Exclusion: No exclusions are identified.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

ITC works towards augmenting supply at the sub-catchment level through various interventions focused on harvesting rainwater based on the recommendations of the hydro-geological studies. Stakeholder engagement is an integral part of any watershed level initiative and has been duly emphasised. This holistic approach helps in significant overall improvement of the water balance within the defined action area, since both usage efficiency as well as harvesting potential can be improved manifold by simple, well-designed interventions. Water Stewardship programme has covered 18.16 lakh acres area through catchment treatment and providing access to irrigation, facilitated by construction of 35,900 water harvesting structures (including ground water recharge structures).This is done by promoting local management of water resources by facilitating community-based participation in planning & executing watershed projects focused on rainwater harvesting, groundwater recharge & catchment treatment.

(9.15.2.16) Further details of target

ITC has achieved its S2.0 2030 Target of creating rainwater harvesting potential equivalent to over 5 times the net water consumption from operations − ITC has implemented Integrated Watershed Development Projects across 1.81 million acres − Total rainwater harvesting potential (RWH) of more than 60 million kl (cumulative) created which is approximately 5.7 times the net water consumed by ITC's operations in FY 2024-25

Row 9

(9.15.2.1) Target reference number

Select from:

☑ Target 5

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per revenue

(9.15.2.4) Date target was set

03/31/2020

(9.15.2.5) End date of base year

03/30/2019

(9.15.2.6) Base year figure

61.16

(9.15.2.7) End date of target year

03/30/2031

(9.15.2.8) Target year figure

36.69

(9.15.2.9) Reporting year figure

41.98

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

78

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

In line with Sustainability 2.0 ambitions, ITC Businesses are implementing various measures to enhance water use efficiency, aiming for a 40% reduction in specific water consumption by 2030 compared to FY 2018-19. Given the diversity of ITC's Businesses, specific water consumption for different businesses are reported with different denominators/activity ((e.g. tonne of production or 'per million cigarettes'). Therefore, for this target- the denominator for calculation of intensity is taken as million INR.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

Water Efficiency Management Programs In order to drive this reduction in specific water consumption, ITC Units have adopted a multidimensional approach which involves: Supply Side Management: • Establishing rainwater harvesting systems for reducing reliance on freshwater/ groundwater resources • Constructing structures for rainwater recharge to facilitate the infiltration of rainwater into the ground, consequently enhancing groundwater levels Demand Side Management: • Improving water-use efficiencies by adopting the latest technologies, and increasing reuse and recycling practice in operations. • Making water security assessments an integral part of greenfield/ brownfield project design and development. • Training employees on water efficiency management programmes

(9.15.2.16) Further details of target

In line with Sustainability 2.0 ambitions, ITC Businesses are implementing various measures to enhance water use efficiency, aiming for a 40% reduction in specific water consumption by 2030 compared to FY 2018-19.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Waste data

☑ Carbon removals

☑ Fuel consumption

☑ Renewable fuel consumption

☑ Emissions breakdown by business division

☑ Electricity/Steam/Heat/Cooling generation

☑ Methane emissions
☑ Base year emissions
☑ Renewable Electricity/Steam/Heat/Cooling generation
☑ Year on year change in absolute emissions (Scope 3)
☑ Renewable Electricity/Steam/Heat/Cooling consumption
☑ Year on year change in emissions intensity (Scope 3)
☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Electricity/Steam/Heat/Cooling consumption
☑ Emissions reduction initiatives/activities
☑ Year on year change in emissions intensity (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards
☑ ISAE 3000
☑ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

(13.1.1.4) Further details of the third-party verification/assurance process

ITC has been reporting its sustainability performance annually, and the Sustainability Report 2025 covers the sustainability performance for the period April 1, 2024 to March 31, 2025. ITC's Sustainability Report 2025 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. Reporting on sustainability topics continues to be on the basis of materiality. ITC has obtained independent third-party assurance for its Sustainability Reports since it started reporting in 2004. In the reporting year, authenticity of the data and systems disclosed in the Sustainability Report 2025 has been assured by KPMG Assurance and Consulting Services LLP, an independent third-party assurance provider. They have provided the assurance as per the International Standard on Assurance Engagements (ISAE) 3000 (Revised). The indicators which are under Reasonable Assurance and Limited Assurance are available in the assurance report. The assurance report of KPMG Assurance and Consulting Services LLP is included in the Report and covers the summary of the work performed, the manner in which the assurance engagement has been conducted, the extent to which ITC has applied GRI Standards, and their conclusions on the Report. ITC has computed its greenhouse gas (GHG) inventory, including GHG emissions, biogenic emissions and GHG removals, in accordance with ISO 14064:2018 and GHG Protocol (A Corporate Accounting and Reporting Standard) (Revised). The GHG inventory for FY 2024-25 has been assured by KPMG Assurance and Consulting Services LLP. ITC accounts for the following gases in its GHG inventory: Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF6).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

itc-sustainability-report-2025.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

☑ Water consumption– total volume

☑ Water discharges– total volumes

☑ Water withdrawals– total volumes

☑ Water withdrawals – volumes by source

☑ Emissions to water in the reporting year

☑ Water discharges – volumes by destination

☑ Water intensities of products and services

☑ Water discharges – volumes by treatment method

☑ Volume withdrawn from areas with water stress (megaliters)

☑ Facilities with water-related dependencies, impacts, risks and opportunities

☑ Other data point in module 9, please specify :1. Specific water consumption of the units 2. Operations with local community engagement, impact assessments, and development programs - Corporate Social Responsibility Initiatives Water recycled/reused

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

Water-related standards

☑ Alliance for Water Stewardship certification

(13.1.1.4) Further details of the third-party verification/assurance process

ITC has been reporting its sustainability performance annually, and the Sustainability Report 2025 covers the sustainability performance for the period April 1, 2024 to March 31, 2025. ITC's Sustainability Report 2025 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. Reporting on sustainability topics continues to be on the basis of materiality. ITC has obtained independent third-party assurance for its Sustainability Reports since it started reporting in 2004. In the reporting year, authenticity of the data and systems disclosed in the Sustainability Report 2025 has been assured by KPMG Assurance and Consulting Services LLP, an independent third-party assurance provider. They have provided the assurance as per the International Standard on Assurance

Engagements (ISAE) 3000 (Revised). The indicators which are under Reasonable Assurance and Limited Assurance are available in the assurance report. The assurance report of KPMG Assurance and Consulting Services LLP is included in the Report and covers the summary of the work performed, the manner in which the assurance engagement has been conducted, the extent to which ITC has applied GRI Standards, and their conclusions on the Report. ITC spearheading adoption of Alliance for Water Stewardship (AWS) Standard in India − 9 AWS-certified sites in India, ahead of ITC's S2.0 target of 8 sites by 2024 with all 9 receiving Platinum level certification − These 9 sites represent more than 86% of ITC's Operational Water Footprint − Food unit in Kapurthala and Paper unit in Bhadrachalam achieved Platinum level AWS certification in FY 2024-25

(13.1.1.5) Attach verification/assurance evidence/report (optional)

itc-sustainability-report-2025.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Forests

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Forests

☑ Ecosystem restoration and long-term protection projects

☑ Origins of sourced volumes

☑ Traceability data

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

☑ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Forests-related standards

☑ Forest Stewardship Council (FSC)

☑ Rainforest Alliance

(13.1.1.4) Further details of the third-party verification/assurance process

ITC has been reporting its sustainability performance annually, and the Sustainability Report 2025 covers the sustainability performance for the period April 1, 2024 to March 31, 2025. ITC's Sustainability Report 2025 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. Reporting on sustainability topics continues to be on the basis of materiality. ITC has obtained independent third-party assurance for its Sustainability Reports since it started reporting in 2004. In the reporting year, authenticity of the data and systems disclosed in the Sustainability Report 2025 has been assured by KPMG Assurance and Consulting Services LLP, an independent third-party assurance provider. They have provided the assurance as per the International Standard on Assurance Engagements (ISAE) 3000 (Revised). The indicators which are under Reasonable Assurance and Limited Assurance are available in the assurance report. The assurance report of KPMG Assurance and Consulting Services LLP is included in the Report and covers the summary of the work performed, the manner in which the assurance engagement has been conducted, the extent to which ITC has applied GRI Standards, and their conclusions on the Report. Overall, 100% of the fibre used by ITC's PSPD is of known and legal origin. All four manufacturing Units of the PSPD have obtained the FSC® Chain of Custody certification and have complied with all the requirements during the year, thereby sustaining ITCs position as the leading supplier of FSC®– certified paper and paperboards in India. 16,817 acres certified as per leading sustainable farm certifications like Rain Forest Alliance (RFA), Global GAP, Fairtrade, BAP-4 and ASC.*

(13.1.1.5) Attach verification/assurance evidence/report (optional)

itc-sustainability-report-2025.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Waste data

☑ Fuel consumption

☑ Methane emissions

☑ Product footprint

☑ Emissions breakdown by business division

☑ Electricity/Steam/Heat/Cooling consumption

☑ Renewable Electricity/Steam/Heat/Cooling generation

☑ Year on year change in absolute emissions (Scope 3)

☑ Renewable fuel consumption
☑ Year on year change in emissions intensity (Scope 3)
☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Year on year change in emissions intensity (Scope 1 and 2)
☑ Renewable Electricity/Steam/Heat/Cooling consumption

(13.1.1.3) Verification/assurance standard

General standards
☑ ISAE 3000
☑ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

(13.1.1.4) Further details of the third-party verification/assurance process

ITC also prepares a Business Responsibility and Sustainability Report (BRSR), a mandatory disclosure framework introduced by the Securities and Exchange Board of India (SEBI) for the top 1,000 publicly listed companies. This report is annexed to ITC's annual report and accounts. BRSR Core indicators, which are a set of Key Performance Indicators (KPIs) within the larger Business Responsibility and Sustainability Report (BRSR) framework have also been reasonably assured by KPMG. Amongst other indicators, these include: Energy Footprint: Total energy consumption. Energy intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output) Water Footprint: Provide details of water withdrawal by source, Total water consumption, Water consumption intensity (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output). Water Footprint: Water Discharge by destination and levels of Treatment. GHG Footprint: Total Scope 1 emissions, Total Scope 2 emissions, GHG Emission Intensity (Scope 1+2) (per rupee of turnover, per rupee of turnover adjusted for PPP, per physical output)

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ITC-Report-and-Accounts-2025.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

ITC ensures sustainable sourcing of commodities in line with its board-approved policy on Sustainable Supply Chain and Responsible Sourcing. ITC is committed to no deforestation and biodiversity conservation across its direct operations and supply chains. ITC works with its suppliers to implement the Company's Code of Conduct for Suppliers and Service Providers, and the policies on Sustainable Supply Chain, No Deforestation, and Biodiversity Conservation. Based on % share of procurement spends and procurement volumes, and revenue dependence pulpwood/timber, wheat, and tobacco are the most material commodities for ITC. While palm oil is used in select products of ITC's FMCG businesses such as Foods and Personal Care, it contributes to < 3% of ITC's total procurement spend. At an industry level, ITC's sourcing of palm oil is relatively negligible. Therefore, from a materiality perspective, commodities like pulpwood, wheat and tobacco have been considered in the CDP response. Other agri-commodities which constitute less than 1% of overall procurement spend have also not been considered.
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Sustainability Officer

(13.3.2) Corresponding job category

Select from:
☑ Chief Sustainability Officer (CSO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute